

FINANCES.

REPORT

FROM

THE SECRETARY OF THE TREASURY,

TRANSMITTING

His Annual Report on the state of the Finances.

DECEMBER 4, 1834.

Read, and laid upon the table.

TREASURY DEPARTMENT,

December 2, 1834.

The Secretary of the Treasury respectfully presents the following report, in obedience to the "Act supplementary to the act to establish the Treasury Department."

He would invite the attention of Congress,

I. TO THE PUBLIC REVENUE AND EXPENDITURES. [A.]

The balance in the Treasury, on the 1st of January		
A. D. 1832, was	- - - -	\$4,502,914 45
The actual receipts into the Treasury during the year		
A. D. 1832, from all sources, were	- - - -	31,865,561 16
Making the whole amount in the Treasury in that year,		36,368,475 61
The actual expenditures during the same year, including		
the public debt, were	- - - -	34,356,698 06
The balance in the Treasury, on the 1st of January, A.		
D. 1833, was, therefore,	- - - -	2,011,777 55
In addition to this balance, the receipts during the year		
1833 were, from all sources	- - - -	33,948,426 25
Viz.		
Customs	- - - -	\$29,032,508 91
Lands	- - - -	3,967,682 55

Dividends on bank stock	-	-	\$474,985 00
Sales of bank stock	-	-	135,300 00
Incidental items	-	-	337,949 79

These made, with the above balance, an aggregate of \$35,960,203 80
 The expenditures during A. D. 1833 were - 24,257,298 49

Viz.

Civil list, foreign intercourse, and miscellaneous subjects,	-	-	\$5,716,245 93
Military service, including fortifications, ordnance, Indian affairs, pensions, arming militia, and internal improvements,	13,096,152	43	
Naval service, including gradual improvement,	-	-	3,901,356 75
Public debt,	-	-	1,543,543 38

Thus a balance was left in the Treasury on the 1st of January, 1834, amounting to - - \$11,702,905 31

The receipts into the Treasury, ascertained and estimated, during A. D. 1834, are computed to be - - \$20,624,717 94

Of these the receipts during the first three quarters are ascertained to have been 16,324,717 94

Viz.

Customs	-	-	\$12,740,872 25
Lands	-	-	3,076,475 50
Dividends on bank stock,	}		507,370 19
Sales of bank stock,			
Incidental items,			

And those during the fourth quarter, it is expected, will be - - 4,300,000 00

Thus, with the balance on the 1st of January, 1834, they form an aggregate of - - - 32,327,623 25

The expenditures of the whole year are ascertained and estimated to be - - - 25,591,390 91

Of these the expenditures during the first three quarters are ascertained to have been - \$16,545,342 92

Viz.

Civil list, foreign intercourse, and miscellaneous,	-	-	\$3,475,527 08
Military service, including fortifications, &c.	8,349,400	06	
Naval service, including &c.	-	-	2,913,183 12
Duties refunded,	-	-	108,546 19
Public debt,	-	-	1,698,686 47

The expenditure for the fourth quarter including \$4,462,330 99, on account of the public debt, it is supposed, will be about - - - - \$9,046,047 99

Thus leaving, on the 1st of January, 1835, an estimated balance of - - - - - \$6,736,232 34

This balance includes what has before been reported by this department as not available, the sum of about \$1,400,000, but which is now ascertained to be reduced to about the sum of \$1,150,000, making the computed available balance on the 1st of January, 1835, to be \$5,586,232 34. It is estimated that of former appropriations there will remain unexpended, at the close of this year the sum of \$8,002,925 13. Of this amount, it is supposed that only \$5,141,964 27 will be required to accomplish the objects intended by the current appropriations, leaving the sum of \$999,742 93 applicable, afterwards, under permanent appropriations; and that of \$1,523,308 79 to be applied in aid of the appropriations for the ensuing year, without reappropriation, as will be seen in the estimates when submitted, and the balance of \$337,909 14, which has not been required at all, or seasonably, for the objects contemplated in its appropriation, and will, therefore, be carried to the surplus fund. In the examination of this result as to outstanding appropriations, it should be noticed that one small amount of unclaimed interest on the public debt, and another of unfunded debt, though chargeable on the Treasury, are not included. Embracing those, and the amount applicable, afterwards, to permanent appropriations, there would not be money enough in the Treasury to pay at once every claim outstanding; but, excluding them, it will be seen that the effective unexpended funds, on the 1st of January, 1835, will be \$5,586,232 34, to meet what will be required for the remaining and unexpended appropriations, being \$5,141,964 27; or, in other words, that our *available* means then on hand to discharge all the old and existing claims on the Treasury, with the exceptions before named, will be about \$444,268 07 more than their actual amount.

The next subject deserving consideration is the condition of

II. THE PUBLIC DEBT.

All the four and a half per cents, outstanding at the commencement of the present year, have been redeemed, except the sum of \$443 25. Money sufficient to meet the whole balance was placed in the United States Bank and its branches, as commissioners of loans, in May last, and that portion not yet paid to the holders of the debt still remains in those depositories.

A part of the five per cent. stock created in March, A. D. 1821, amounting to \$4,712,060 29, was all of the 123 millions of debt existing in A. D. 1816, and of the subsequent additions to it which was left to be redeemed. It did not become payable till the 1st of January, 1835; but as there was sufficient money in the Treasury for the purpose, and it having been considered beneficial to the public to save, as far as practicable, all the accruing interest, early in July last, agents were employed by this department to purchase, at par if possible, the whole of the remaining debt. Between that time and the 30th ultimo, the department had suc-

ceeded in redeeming about \$491,258 35 of it, and additional purchases are constantly making. In October last the undersigned gave notice that the whole of this debt, unredeemed after the 1st of January next, would cease to bear interest, and would be promptly paid after that date, on application to the commissioners of loans in the several States. Under authority from the commissioners of the sinking fund, this department has since placed, and made arrangements to place, seasonably, in those offices, ample funds for the above purpose. Thus, before the close of the year, the whole will either be paid, or money provided to pay it; and the United States will present that happy, and probably, in modern times, unprecedented spectacle, of a people substantially free from the smallest portion of a public debt.

Considering these facts, it was deemed proper to charge the whole amount of the remaining debt to the expenditures of the present year. Interest on all not paid before the 30th ultimo has been computed till the 1st of January next, the time being so short; and the account for the payment of the public debt, during the year, will then stand as follows: All the disbursements on account of the public debt during the year

1834 will be, as before shown	-	-	-	\$6,161,017 46
Of which there will have been applied to				
principal	-	-	-	\$5,964,774 93
And to interest,	-	-	-	196,242 53

Making, together, the sum above mentioned.

The stocks which will have been redeemed by the application of this sum during the year, are—

Of the residue of the exchanged $4\frac{1}{2}$ per cent. stock, issued under the act of the 26th of May, 1824,	-	-	-	\$1,252,625 90
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The residue of the 5 per cent. stock issued under the act of 3d March, 1821,	-	-	-	4,712,060 29
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Certain portions of unfunded debt,	-	-	-	38 74
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And Treasury notes,	-	-	-	50 00
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Making, in all, the principal before named.

There is an unfunded debt of about,	-	-	-	\$37,733 05
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Consisting of claims registered prior to 1798, for services and supplies during the revolutionary war,				
of about	-	-	-	\$27,437 96

Treasury notes issued during the last war,				5,975 00
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And Mississippi stock,	-	-	-	4,320 09
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Nothing has been paid on any of these during the present year, except \$88 74. But should the certificates ever be presented, which is not very probable as to many of them, the means undoubtedly will always exist for their payment at this department.

III.—THE ESTIMATES OF THE PUBLIC REVENUE AND EXPENDITURES FOR THE YEAR 1835,

Next require attention, and are as follows:

The receipts into the Treasury from all sources during the year 1835, are estimated at	-	-	-	\$20,000,000 00
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Viz.

From customs,	-	-	-	\$16,000,000
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Public lands,	-	-	-	3,500,000
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Bank dividends and miscellaneous receipts,				500,000
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To which add the balance of available funds in the Treasury on the 1st January, 1835, estimated at - 5,586,232 34

And they make, together, the sum of - - \$25,586,232 34

The necessary appropriations for the year 1835, including those under new and permanent acts, are estimated at \$15,660,232 73; but the whole expenditures for the service of that year are estimated to require the additional sum of \$1,523,308 79, which has before been appropriated and mentioned as applicable to the wants of 1835 without a reappropriation, making, together, - - - \$17,183,541 52

Viz.

Civil, foreign intercourse, and miscellaneous items, - - - \$2,788,225 85

Military service, &c., pensions, and the appropriations under the act of 7th June, 1832, - - - 9,672,654 50

Unclaimed interest on public debt, - 50,000 00

Naval service and gradual improvement, 4,672,661 17

To this add, as a contingent expenditure, about half of the amount of the average excess of appropriations beyond the estimates during the last three years, - 2,500,000 00

And they make the sum of - - - \$19,683,541 32

Leaving an available balance in the Treasury at the close of the year 1835, or on the 1st of January, 1836, estimated at \$5,902,690 82.

But should the whole amount of former appropriations, current and permanent, that will be outstanding on the 1st of January, 1835, and be needed to complete the services of former years, amounting, in all, as before shown, to the sum of \$6,141,707 20, be actually called for during the year 1835, there would be an apparent deficiency in the Treasury on the 1st of January, 1836. It usually happens, however, that, of the new and the old appropriations, a sum of five or six millions remains uncalled for at the commencement of each year: and hence no real deficit is then anticipated, nor much, if any, excess after defraying all the expenditures then chargeable to the Treasury.

This estimate of receipts is formed on the supposition that the value of imports during the ensuing year, and especially of those paying duties, will not differ essentially from the average value during the last three years. Though our population has within that period probably increased over one million, yet our manufactures and internal trade have probably increased nearly in an equal proportion; and this circumstance, coupled with the greater caution and frugality practised during the past year, and still continuing, will, it is believed, tend to prevent any considerable augmentation in the consumption or importation of foreign articles.

The imports during the year ending September 30, 1834, are estimated in value at \$123,093,351, being, compared with the preceding year, an increase of \$14,101,541. Those during the three past years have, on an average, been about \$111,038,142.

The exports during the same year are estimated at \$97,318,724, of which \$74,444,429 were in domestic, and \$22,874,295 in foreign pro-

ducts, being, compared with the preceding year, an increase of \$6,655,321, of which \$3,802,399 were in articles of domestic, and \$2,852,922 in those of foreign products. The average exports during the last three years have been about \$91,719,690, of which \$69,407,976 are the average in articles of domestic products, and \$22,311,714 in those of foreign.

It will thus be seen, that the imports of the last year varied in amount \$12,055,209 from the average of the three past years, and those paying duties are believed to have varied much less. It is therefore, in connexion with the reasons before named, considered safe to infer that the imports of the ensuing year may not differ materially from that average. Should they not so differ, the revenue from customs will probably correspond in substance with that of the past year, except so far as it may be changed by the whole amount of all the importations when compared with the above average; because the classes and value of articles paying duty, for aught which is known, will probably be similar, and the rate of duties on them will not, by existing laws, be essentially altered till the 31st December A. D. 1835.

The revenue from the sale of public lands has been estimated at half a million more than the amount it was estimated for the current year, and one million more than the amount for 1833. This estimate would have been made still larger, had not the sales of the Chickasaw lands, which will probably exceed half a million of dollars, been pledged by treaty to other purposes, and not to the general revenue of the Government. This large computation is founded on the facts of the progressive increase for some time evinced; the sum actually received during the past year; the great quantity of new and saleable lands coming into market; the enlarged demand for them to satisfy the necessary wants of our growing population, and of the emigrants from Europe; and the high prices which their produce fortunately obtains both at home and abroad.

The revenue from bank dividends has been estimated at somewhat less than heretofore, in consequence of the sales of our bank stock, under the act of July 10, 1832, for the investment of the accruing income of the Navy Pension and Hospital funds having already amounted to \$656,600, and on which the Treasury can now receive no dividends applicable to general purposes. It might, perhaps, be advisable to deduct a still further sum to meet any contingency like that of the present year, in which the United States Bank, without the consent of this department, or the sanction of Congress, and without any forewarning of its intention, seized on about \$170,041 of the estimated revenue from this source, and has since withheld it from the public Treasury.

Copies of the opinions of the Attorney General, and the whole correspondence on this subject between the Department and the Bank, which took place previously to the request for these opinions, are annexed for the consideration and action of Congress, [B.] It may be proper to add, that, within a few days past, a new communication in relation to this transaction has been received from the Bank, and, when a reply is finished, both will be submitted, if desired. No foundation appears to have existed, in *law* or *equity*, for the great claim of damages made by the Bank on account of the protest of what has been called, in common parlance, the bill of exchange drawn on the French Government by this department. It is believed that the bill, when protested, ought by our agents

abroad, had they acted with due regard towards their principal, to have been taken up for the credit of that principal, which was the United States, rather than for the credit of the Bank; or, at the furthest, if similar and conflicting relations existed between them and the Bank, they should have pursued the equitable course of taking it up for the credit of both the United States and the Bank, or the more liberal one of giving the preference to the Government, which was the drawer; and, in either of these events, no room for difficulty by this extraordinary claim would probably have been left. But as these agents preferred a different course, thereby justly impairing the further confidence of the Government in their discretion, it would seem that the Bank, in the next place, having long been the general fiscal agent of the Government, and the primary one in importance, should have returned the bill, and made no charge against its principal, the United States, except for the actual advances, and the actual costs and expenses it had incurred in the transaction. The actual advances by the Bank, when the bill was originally received, had only been a matter of form, and were nothing.

The money, in fact, never belonged to this department, except in trust for the merchants, or their widows and orphans, who had suffered by French spoliations: and a sum exceeding the whole amount of it having been left in the Bank and its branches, and no part of the money having ever been brought into the Treasury by warrant, it was, immediately on notice of the protest, restored in form, and a willingness was expressed to make remuneration to the Bank for all reasonable costs and expenses.

But the temptation of an opportunity to obtain more from its principal, by a novel species of litigation, through a virtual judicial prosecution for damages against the Government of the Union, seems to have been too strong for resistance; and the Bank concluded to depart from the above equitable rule, and, by some technical regulation of strict law between individuals, to attempt to procure a large sum, as mere constructive damages; and by the extraordinary mode of seizing on the dividends, which had been declared by the Bank itself to belong to the United States, and of withholding them, to abide the ordinary contingencies of a law-suit. It seems to have preferred this unprecedented course rather than to pursue the usual mode of a petition addressed to the justice of Congress, though Congress is well known to be the customary and only tribunal for adjusting controverted claims against the Government, when no suit is pending by the United States, and the only tribunal, which, under the constitution, is empowered to appropriate money to discharge any claim whatever. After applying to this department, and being, so long as a year ago last June, informed of its inability to admit, or authority to discharge the damages demanded, it is remarkable that the Bank should have continued to pay over the accruing dividends, and not till after the last session closed, and when any deficiency in the current revenue could not be provided for, should, without any prior application to Congress, have resorted to this unusual proceeding, and sought to have its claim against the United States adjudicated by the Judiciary, when the United States are not amenable to any citizen or corporation, high or low, before the Judiciary, for the decision of any claim, unless they have, of their own accord, been pleased to resort to that tribunal, by a previous action against a debtor; and in which event only is a set-off, under certain limitations, authorized to be pleaded as either equitable or legal.

But here the United States had instituted no such action against the Bank, and had no intention or foundation to institute one: and yet the Bank, not in the case provided in the charter where dividends might be withheld, but by an unfaithful act as an agent, and as a public corporation, towards its principal and the community, proceeded to seize their dividends in a case entirely different and most questionable, in equity as well as law, and refused to fulfil the duty imposed by its charter, and by civil and moral obligations, of paying over those dividends promptly to the Treasury. In the adoption of this reprehensible course, an attempt is made to force the Government either to lose their dividends entirely, or to pay a controverted claim for damages, which, so far as any of its departments or officers have examined it, was found, and pronounced to be, groundless; or consent to let the United States be arraigned as a debtor, and compelled to submit the claim to decision before a branch of their own Government, to which such claims are not ordinarily submitted, and to whose decision it could not be referred, in this instance, but by the previous commission, on the part of the Bank, of a deliberate violation of its obligations.

The further attempt appears to be made, in this way, to take from Congress and the Executive the constitutional power, on their high official responsibilities and deep sense of duty, to make or withhold appropriations to discharge all controverted demands against the United States, and to enable the Judiciary, instead of them, indirectly and unconstitutionally to make these appropriations, in all cases of citizens or corporations who possess doubtful claims, and are unscrupulous enough to commit, in order to prevent their adjudication by Congress, a deliberate attack on the property of the United States, or a deliberate sequestration of their acknowledged dues.

For further and more detailed views on this extraordinary case, a reference is made to the whole correspondence and opinions annexed, without the discussion of any course which the power and the wisdom of Congress are able to select for evincing its opinions on this outrage, whether by withdrawing indulgencies from the Bank as to the receipt of its notes for public dues, or by adopting some other measure on the subject, which the nature of the transaction, the rights of the United States, and the constitutional authority of Congress, may be thought to justify and demand. Believing that a similar seizure was not likely to be repeated by the Bank in 1835, under the other pretence of satisfying claims for damages, in consequence of the removal of the deposits, as set up in its second letter, this department has estimated the probable revenue the ensuing year from this source, at the usual rate of dividends lately made on all our stock in the Bank, remaining after the sales which have taken place for the investment of the Navy Pension and Hospital funds. But should Congress, on a full examination of the subject, think otherwise, it may be provident to supply some other equivalent for this portion of the estimated receipts.

The estimate of revenue from miscellaneous sources has been computed a little below the actual receipts of the current year, because the dividends applicable to general purposes will be on a less amount of bank stock, and the anticipated sales of such stock, to meet the further wants of the beforementioned funds, will be much reduced. In this

explanation of the estimate of the receipts during the coming year, it is hoped that satisfactory reasons have been assigned to show its general accuracy. This estimate being one and a half million larger than that of last year, it is more likely to exceed, than, like that, to fall short of the actual result. That estimate proved to be less than the actual receipts, probably about \$2,000,000, or from customs about \$1,200,000; from lands nearly \$800,000; and the residue chiefly from larger sales of bank stock, as before named, than was anticipated. As the first deduction of 10 per cent. from the excess of duties on goods imported, and paying over 20 per cent. *ad valorem*, took effect on the 31st of December last, it was not practicable to fix beforehand, with much certainty, the amount of the diminution, on account of it, from the revenue of the year, as the same value of merchandise might not be imported as in any previous year which should be selected for a guide in forming the estimates, and the particular kinds of merchandise thus imported, whether free, or paying a duty, might greatly fluctuate. To these uncertainties in the whole value and in the kinds of goods imported, were to be added the circumstances that the system of reduction going into operation was almost entirely new in practice, and that the cash duties substituted for credit, on some articles, tended to render former means of calculation still more inapplicable and doubtful.

It is hoped that, as the ensuing year is exposed chiefly to only one of these sources of uncertainty, which is the whole value of dutiable goods imported, the estimate made for the income from customs will not vary essentially from the amount of receipts which time may prove to be correct.

In relation to the excess of revenue received from lands over the estimate made for the year 1834, the amount from that source happened to be unprecedented; and as full returns of the very large sales in December, 1833, had not then been received, it was entirely unexpected. But the actual excess, this year, though not so large as in the previous one, coupled with circumstances before named, has induced the department to submit a larger estimate under this head than has heretofore been made.

The estimates for the expenditures of the ensuing year have been graduated and modified by the following circumstances. The actual expenditures for the year 1833 did not differ much from the expectations expressed concerning them in the last annual report, except that the residue of the four and a half per cent. stocks, although charged to 1833, was not, in fact, all reimbursed, or the money paid to the commissioners of loans for that purpose, within that year, but only \$13,198 of them were redeemed in the residue of 1833. Between the 1st of January and May, 1834, about \$497,697 more were redeemed, and afterwards the sum of \$759,271 was advanced to the commissioners of loans to meet the balance which was then outstanding. Partly from this cause, therefore, reducing the actual expenditure in the fourth quarter of 1833 about a million below the estimate, and partly from an increase in the revenue of nearly two millions beyond the estimate of that quarter, from causes before enumerated, the actual *available* amount in the Treasury on the 1st of January, 1834, was greater than the estimate—having been \$10,302,905, instead of the estimated sum of \$7,983,790. The expen-

ditures in 1834, on account of the public debt, thus became increased beyond the estimate about \$1,256,968. Another source of expenditure, increased during the past year beyond the estimate, was the sum of \$75,407 for interest on the public debt, which had before been unclaimed, but which has since been demanded, and discharged; and to meet which, probably from adhering to the usage of former years, or from an impression it would remain uncalled for, no money had been specifically set aside, nor any charge made, to the expected expenditure of the year. Besides these unexpected calls during the present year, the appropriations in money, by new acts of Congress, and by former permanent acts still in force, have been computed to be about \$21,000,000.

These constituted a new burden, in addition to a balance of public debt which remained to be paid, amounting to about six millions, and a balance of old appropriations liable to be called for, amounting to about five millions more. The whole appropriations thus chargeable for expenditures to the year, did not vary much from thirty-one millions of dollars in money, besides a number of grants of land, of considerable extent and value, that were voted by Congress.

Having presented this explanation of the principal expenditures which have been charged to the present year, and defrayed to the extent required, a basis has been laid for showing the reasons upon which this department has proceeded to reduce its estimates for new appropriations for expenditure the ensuing year to the extent of about six and a third millions of dollars below those of last year. This is about one and a third million less, independent of the amount then estimated to be needed towards the discharge of the public debt.

In that sum of new appropriations, amounting to about \$21,000,000, there was no permanent charge that has been deemed likely to be much lessened for the ensuing year, such as the arming of the militia, and the gradual improvement of the navy. Nor, in the opinion of this department, will the great objects for expenditure, of a character general and somewhat fixed, such as those usually connected with civil and foreign purposes, the navy and army, including works classed as internal improvements, Indians, and pensions, admit immediately of so great diminution in number or amount as might be desired, and is hereafter expected. But as large a reduction as practicable, without injury to the public interests and a neglect of important duties, has been made in the estimated expenditures for each of them, being, in all, after allowing a small increase in some, about one and a third million of dollars.

It is anticipated that, with the valuable improvements of late years in steam, and the great advantages in using these improvements for harbor and maritime defence, some of the fortifications originally contemplated may hereafter be wholly dispensed with, or be built on a different and reduced scale; and though it is thought that only about two millions can, the following year, be prudently retrenched from the expenditures connected with fortifications and harbors, Indians and pensions, yet it is manifest that very soon the amount required for those public purposes must, by the completion of the most necessary defences, by the extinguishment of most of the titles of the Indians, and the removal of that unfortunate race beyond the Mississippi, and by the rapid march of death among pensioners, and the detection of numerous frauds among their professed agents, become still

more diminished ; and as our impost duties will be further reduced by the operations of the act of March, 1833, the reduction both in revenue and in expenditure for these great objects will, therefore, happily and conveniently, for a time, be likely very near to correspond. A more fixed amount for the ordinary peace establishment of the army, and some other expenditures connected with the executive, legislative, and judicial departments, would, like what now exists with greater precision and uniformity in the expenses of the navy, be a great desideratum in the permanent adjustment of our revenue system, and would tend, in many important respects, to useful retrenchment. The gradual increase required in some classes of expenditure by the gradual increase of our population and wealth, and of those public establishments which fluctuate with them, such as some parts of the judiciary, the legislative, and executive, could then be accurately foreseen and provided for, while any extraordinary and unexpected enlargement in expenses would then excite inquiry, and, unless resting on clear and extraordinary causes, would justify opposition : when so resting, they would be met by the public cheerfully, by means of increased taxes and revenue. Another important circumstance deserves consideration in explanation of the new and contingent item of \$2,500,000, now first added to the estimates for the ensuing year. It has been ascertained, by careful scrutiny and comparison, that much of the great expenditures of the last four years, besides the payment of the debt, has arisen from appropriations by Congress to a larger amount, under particular heads, than the general estimates for the year submitted by the Treasury, and from large appropriations to objects not specifically included in any estimates.

To illustrate this, an abstract of a table of the general estimates, appropriations, and expenditures during the past two years, and of all these, but the expenditures during the past three years, has been prepared, and is submitted, showing a difference between the estimates and appropriations, independent of the public debt, in 1832, of between five and six millions, in 1833 of nearly five millions, and in 1834 of about three millions, [C.]

The largest portion of this great increase, amounting, in the first two years, from one-fourth to one-third of the whole appropriations, it will be seen, is under the civil and miscellaneous heads, and under items classed with the military establishment, such as harbors improved, pensions, &c. For the information of the public, on a comparison deemed so very important, it is proposed to publish the detailed table from which this is compiled, and a similar one hereafter, appended to the annual exhibit of the receipts and expenditures. Should this practice of making appropriations so greatly exceeding the estimates be continued by Congress, it will not only prevent much reduction, particularly under the miscellaneous head, but it will be necessary to provide for the consequences of it by an augmented revenue proportionate to these demands, or by a larger regular surplus in the Treasury to meet such unexpected increases of appropriations. It must be manifest that it is not in the power of this department to foresee and compute these increases with any degree of accuracy, as, with the exception of some subsequent estimates submitted after the annual ones, they depend almost wholly, in their inception, on the pleasure and discretion of Congress ; and as they

consist chiefly of miscellaneous public objects, and private grants for almost numberless causes, they may vary greatly in different years. But it might be unfaithfulness in the undersigned towards both Congress and the public, since the extent of the influence of this excess on the expenditures, though always something, has been ascertained to be very large during the last three years, not to bring it distinctly to their notice, not and to submit a contingent item in the estimates for the purpose of covering it. Whether that which the department has now offered, reduced, as it is, nearly one-half from the average of the actual excesses during the three past years, will prove correct or not, and whether the diminished estimates under some other heads will correspond or not with the actual amount of appropriations that may be made, and with our anticipated means to meet them, will depend much on the caution and policy Congress may deem proper to use in restricting appropriations more nearly within the estimates presented. On the presumption that they may be more restricted than heretofore, only the addition before mentioned has, on this account, been made to the whole estimated expenditures for the ensuing year.

A reduction so much lower than the late actual average excesses, is supposed to be justified, from two leading considerations. One of them is the circumstance that, during a short session of Congress, which now occurs, fewer bills of a miscellaneous character can generally be well examined and passed than during a long session. Another is, that as our revenue diminishes, it is probable that greater vigilance will be exercised by all in the allowance of very ancient and almost obsolete private claims, or of claims very doubtful in character as to either facts or principles, and in making further appropriations to some objects of public importance, which have already received liberal attention, and which, from their nature, must be expected to diminish rather than increase in their demands on the public Treasury. Thus, in regard to light-houses, custom-houses, marine hospitals, &c., not to enumerate various objects connected with internal improvement and public expenditure within the District of Columbia, it is manifest that the sums appropriated for some years past, can be safely and judiciously diminished in several respects, and in others almost entirely discontinued.

If this be done, as it doubtless will be, with discrimination and judgment, though some new objects will have to be added, and increases in some old ones computed, yet it is probable that the saving in expense to the public will not only be considerable, but, at the same time, no object of a really commercial character, and of national magnitude, need be neglected, nor any power exercised and treasure expended in those doubtful cases of constitutional right in the General Government, which tend to alienate brethren of the same political family, and to perpetuate excitements unfavorable to useful legislation, and, in some degree, dangerous to our Union. It has been further considered, in the estimates and reductions for the ensuing year, that our whole expenditure on account of the public debt has, in one sense, ceased, either by completing the payment of it, or by a deposite of money with the commissioner of loans, or a readiness of it in the Treasury, sufficient to pay all which remains whenever the holders choose to receive it. But, though all the principal and interest necessary for this object will, before the year

closes, have been placed in the Bank and its branches, as commissioner of loans, yet the practice is to require the interest, if not called for seasonably, to be, after a certain period, returned to the Treasury, and the principal only to be retained by the Bank till otherwise directed by the commissioners of the sinking fund, or by Congress. The unclaimed interest, after having been once paid out of the Treasury and returned, does not, at this time, exceed \$261,938, or the money ready there for its discharge, after meeting all the outstanding current appropriations. Under this practice, it will be seen that its payment must constitute some annual charge on the Treasury till the whole is actually adjusted; and, consequently, \$50,000 for that purpose have been included in the estimated expenditure of the ensuing year. This will probably be nearly all the demands of any kind for the public debt, in any form, which will then be made on the Treasury, or the sinking fund. The rest of the sinking fund, if not abolished by Congress, could hereafter be applied to general purposes.

In substantial conformity to the proposition made last year by this department, it would now seem still more imperative on Congress to provide that the money, whether principal or interest, drawn from the Treasury, and placed in the Bank and its branches, as commissioners of loans, and which shall not be called for by the public creditors before the close of the ensuing year, should be repaid into the Treasury, and held, under notice to creditors to receive it there; that, thereafter, the office of commissioner of loans be abolished, the duties of the commissioners of the sinking fund, and the provisions as to the fund itself, suspended, and such power devolved on this department, as may be necessary to a settlement of that part of the debt which may not then have been demanded; and as the Bank charter soon thereafter expires, to provide, further, that the books and other papers connected with the public debt should be returned and deposited here, to enable the Treasury to guard against mistakes and frauds. The whole amount unclaimed, in possession of the Bank, on account of the public debt, has been reduced to \$282,333, and though about to be augmented by the transfer of a sufficient sum to meet the whole residue of the outstanding debt, it will probably not remain much larger at the close of the ensuing year.

With a little legislation of this kind, every thing will be done by Congress which is deemed necessary to close up, it is hoped forever, all the once large public debt of these United States. By the payment of the whole of it, with punctuality and fidelity, it is gratifying to reflect that our public credit as a nation has been raised to a high standing, and a large stock of confidence acquired from others, which, in such future exigencies as are likely to happen, sooner or later, in all countries, will aid us to procure ample and seasonable loans, without ruinous discounts or delays.

In pursuing this honorable course, the Government of the Union has not only shown good faith abroad to its foreign friends and allies, those who lent assistance when most needed, but it has redeemed, whether at home or abroad, the entire debt of both the revolution and the late war; paid the purchase money for Florida and Louisiana; and, with a most scrupulous sense of moral as well as political obligation, administered, in various ways, to the wants, and atoned for many of the losses, of those who perilled life and fortune in the struggle

for independence, in which our public debt had its sacred origin. It is an additional source of gratification that this has been effected without imposing heavy burdens on the people, or leaving their Treasury empty, trade languishing, and industry paralyzed; but, on the contrary, with almost every great interest of society flourishing, with taxes reduced, a surplus of money on hand, valuable stocks and extensive lands still owned by the Government, and with such various other financial resources at command, as to give to our country in this respect a very enviable superiority.

When it is considered that this has been effected by a young, and, at first, not very numerous people, within about half a century, and who, during the same period, have provided such other and ample means to sustain their useful systems of government, and to build up *great and prosperous communities*, we may well be proud of the illustration our country affords of the financial ability of free institutions, and of the high destinies in various respects, not appropriately noticeable on this occasion, but which may await our preservation of these institutions in their original vigor, purity, and republican simplicity.

From the views before taken of the probable wants during the ensuing year for expenditures, and of the probable receipts to meet them, it has been stated that on the 1st of January, 1836, it was estimated that there will remain a surplus of available funds of about \$5,900,690 82. This result has been attained by considering the unavailable portion of our funds then and now on hand at the reduced sum of only about \$1,150,000, instead of \$1,400,000, as heretofore reported. But it may be desirable to Congress to know that there is a prospect, during the ensuing year, of collecting some further portion of these funds. This will be accomplished, it is anticipated, by the appointment of some more active agents, by new compromises, and by more rigorous requirements in collections where property exists, so as to reduce further the whole amount from \$50,000 to \$100,000; and if this hope be realized, the above named available balance will, to that extent, be increased. A minute analysis and examination of these unavailable funds have recently been completed, and will be submitted in the supplemental reports soon to be laid before Congress, on the present mode of keeping and disbursing the public revenue. But, on the other hand, enlarged somewhat as this balance may happen to be from any causes, it should be remembered that, on the 31st day of December, 1835, another reduction of ten per cent. must, by the existing laws, be made from a part of the present tariff; and if the surplus in the Treasury, by a year from next January, should prove to be increased to two millions, it could not with safety be regarded as too great for meeting, with a reduced rate of imposts on importations, the probable wants of A. D. 1836. At all events, such is the uncertainty on that subject at this distance of time, that though something unusual in the latter part of A. D. 1836, may, in the way of final dividends on our portion of the capital of the bank stock, be received, yet it is not now possible to foresee the contingencies that may check either the present large importations of merchandise or large sales of land, and consequently reduce the revenue derived from them; or that may require an increase in our army or navy expenditures, arising from those unfortunate collisions to which all nations are liable that feel disposed to sustain the faith of treaties, vindicate their public rights, and protect efficiently their commerce and citizens. No

further reduction of the tariff, until that already provided for at the close of the ensuing year, would, therefore, seem to be prudent.

The reduction or increase of the tariff is now referred to with a view to revenue alone, and not with a view to questions so much agitated heretofore, of protection, countervailing regulations, and the proper national policy to be pursued as to the imported luxuries and necessities of life. On those points, it is considered far better for the real manufacturers themselves, not engaged in mere speculative investments, as well as for commerce, agriculture, and the revenue, that a policy should be selected, not unjust to either great interest or either great section of the Union, and, when once established, that frequent changes should be avoided, and the occasional increase or reduction of revenue, which may sometimes become proper for financial purposes, should be connected with articles wholly detached from the question of protection to manufactures. The tariff, as to these troublesome points, is regarded as now adjusted by the act of March, 1833, till the year 1842, A. D. except in respect to such new regulations as may be required from time to time for the due enforcement of the spirit of that act, or such other changes as new occurrences may satisfy the great mass of the community are rendered proper for earlier modifications, without a departure from the spirit of the compromise then intended among the friends of free trade and of high protection.

A separate report on certain subjects relating to the due enforcement of the present tariff being in preparation, only one of them will now be adverted to. It is the evasion of the present duty on silks from beyond the Cape of Good Hope, by their being first landed, and occasionally recolored or restamped in Europe before imported into this country. In this way, and by the present discrimination in favor of European silks, the revenue loses a very large amount. As some illustration of the loss by such discriminations, the recent one in favor of French silks alone amounted to over \$300,000 a year, and that now in favor of French wines amounts to nearly \$200,000 more, making a loss of over half a million a year on these two articles with only one nation. But while on the other points, independent of the spirit of the compromise of 1833, legislation may be regarded as still fairly open; it certainly ought not to be attempted on so delicate and difficult a subject, unless imperative cases for it shall occur, whether combined or not with any increase or reduction of the tariff that may become necessary, as a mere question of revenue, by the actual condition of our receipts and expenditures. So far from any increase being necessary at present, or prospectively, the balance now on hand in the Treasury, and the accruing revenue under existing laws, will, in the opinion of the department, prove amply sufficient to answer all ordinary demands, and, united with our other resources, to answer any unexpected demands of no very extraordinary amount.

As appears by the documents annexed, [D,] the Government has about \$6,343,400 subject to general use, invested in the United States Bank stock, and the sum of \$1,882,500 invested in different canal stocks; and the proceeds of the sales of which, if authorized in any unexpected deficiency, would, in most cases, prove amply sufficient without any resort to an increased tariff.

On the contrary, neither of the available balances estimated to be on hand in 1835 or 1836, after deducting what will be wanted for outstanding appropriations, can probably exceed a million. Should the surplus,

without that deduction, prove to be about six millions, as estimated, the undersigned respectfully submits that it will require no legislation, as that amount has been about the usual average balance retained on hand for many years—a balance that has furnished great facilities in meeting all claims, even at the remotest points, with punctuality and good faith; afforded much stability and elevation to our public credit, by providing seasonably the means for a punctilious fulfilment of contracts; and yielded so great security against sudden evils of every kind in financial affairs as to render one of near that amount provident and economical; and especially so at this moment, when any surplus, which may exist, will accrue under a permanent compromise of the tariff, that contains within itself a provision to reduce still further the duties, and undoubtedly the whole amount of our revenue, after the close of the coming year.

It is a source of sincere congratulation, that, from the general prosperity of our commerce, and from the peace, industry, and abundance which so widely prevail over our fortunate country under its admirable institutions, researches are obliged to be directed rather to the due reduction or disposition of any occasional surplus that may happen to exist in the Treasury, than to obtain sufficient for public purposes by taxation and other burdens. But, under our altered system as to duties and the public debt, it will be prudent to calculate that deficiencies as well as surpluses may happen oftener than formerly. In the opinion of the undersigned, however, neither can be soon anticipated so as to require immediate legislation. But should Congress think differently, no harm could arise from vesting a power in the Treasury Department, in case of an unexpected deficiency occurring in the revenue from any cause whatever, to sell such portions of our public stocks as may be necessary to supply the public wants growing out of actual appropriations. In a contingency of that kind, against which, in the present system of our revenue, and without a large ordinary surplus, to be applied as it can be spared or not for the payment of a public debt, in the manner heretofore practised, it is difficult to guard effectually against not only the occurrence of a deficiency, but its usual evils, a delay, if not great embarrassment and injury to public creditors, and a violation of our pledged faith.

At the same time, it might be expedient to provide, that, whenever the collections of the revenue permanently authorized, should prove to be in an excess not immediately needed or useful as a proper surplus in the Treasury, the department should either obtain interest for it of the banks where the largest amounts are long deposited, or invest it temporarily in some safe stocks till needed, or till the tariff is again changed. This would probably secure a due interest on it, while retained, instead of the present and past modes of obtaining interest on any occasional surplus, by applying it, in discharge of the public debt, and which mode, since the payment of the latter, can no longer be pursued.

Should facts occur which appear to require legislation, such an arrangement, like a regulator in some large or complicated machinery, remedying any occasional irregularities, might operate more beneficially, as to any considerable excess or deficiency, than yearly changes of the tariff, made to meet yearly vibrations in our revenue, or to meet yearly reductions or augmentations in our expenditures.

This subject of interest from the deposit banks, at some rate, and under some circumstances, was adverted to in a report by a committee in one

House of Congress the last session, and would at this time be more fully examined, in connexion with that report, and the subsequent intimation of the United States Bank of its claim for damages on account of the late removal of the deposits, connected, it is apprehended, with the idea of a profit or interest derived from them, were it supposed that either point could, in the present condition of things, be considered of any practical importance. But the balance of money at present on hand, as before remarked, is merely the usual and convenient amount for current fiscal operations, and most of it is liable, at any moment, to be withdrawn to meet existing appropriations.

While the intimation of the Bank, resting, as it probably must, on an impression that the *bonus* was paid instead of interest on the public deposits, is not believed to be supported by the language or spirit of the charter, which required the bonus "for the exclusive privileges and benefits conferred by this act on the Bank," and which *exclusive* favors, whether termed *privileges* or *benefits*, consisted principally in the sole right of banking for twenty years, and for which alone Mr. Madison, in his veto of 1815, and Mr. Dallas, in his letter of December 24, 1815, thought that a bonus should be paid to the Government; the latter further observed, that, "independent of the bonus here proposed to be exacted, there are undoubtedly many public advantages to be drawn from the establishment of a National Bank, but they are generally of an incidental kind, and, as in the case of *deposits* and distribution of the revenue, may be regarded in the light of equivalents, not for the monopoly of the charter, but for the reciprocal advantages of a fiscal connexion with the Government."

If the reasons should ever be presented to this department, in support of the late intimation of a demand for damages for the removal of the deposits, in a case where the bonus was claimed and paid on the above grounds, and where the right to remove the deposits was expressly reserved in the charter to the officer removing them, it will then, probably, be in season to enter more fully into this collateral question. Or should the balance in the possession of the State banks at any time become much larger than the current demands existing against the Treasury, it will, if Congress do not earlier think proper to act on it prospectively, nor to authorize any temporary investment of it, be then considered necessary and proper for this department to examine in what cases, and under what circumstances, on what surpluses, and at what rate, interest could equitably be demanded, in addition to the useful duties performed by the selected banks in behalf of the Treasury.

On these points, however, it is hoped that this department will not be understood as recommending that taxes should ever be imposed with a view to permit a large surplus any more than a deficiency to occur; but that, when the former unexpectedly and unintentionally happens, an income should be realized from it, by interest or an investment, until, at the end of every few years, a thorough revision of the tariff would, in the pursuit of this policy, be made, and so graduated, as during the next succeeding term to be likely to correct any great irregularities, whether excesses or deficiencies, that had happened during the preceding term, and to lead to the sale and use of any interest or investments which, in the mean time, had accumulated.

Those other questions naturally connected with the present deposit banks, and, indeed, with our whole existing system of finance, so far as regards the keeping and disbursing the public money, might here be appropriately considered. Yet, without any desire to avoid, but rather from a wish to submit, that full and frank discussion of them which their acknowledged importance, and the exciting interest in them, demand from the fiscal department of the Government, they will be postponed to a separate supplemental report, which will be confined exclusively to their consideration, and will soon be presented to Congress.

It appears to the undersigned that a change in the commencement of the fiscal year, and of the time at which the annual appropriations begin, would be a great improvement in the financial operations of the Government. If the year was to commence after the last day of March instead of September, and the annual appropriations begin from the same date, many delays and embarrassments could be avoided, and the information on the condition of the receipts and expenditures of the previous year, to be laid before Congress each session, could be much more full and accurate upon the subject of the new coinage of gold, and the operation of the acts of the last session relating to it, and the value and tender of foreign coins, this department does not, until further experience is had, contemplate offering many recommendations for new legislation. A particular suggestion, deemed proper, is that the one dollar gold coin, originally embraced in the late act, should be authorized.

If found on trial to be convenient, as small gold coins have been found, some of less, and some of little larger amount, in Portugal, Russia, Spain, Turkey, and Switzerland, it does not seem to comport with the interest and welfare of the community to prevent here its coinage and circulation; and if not found on trial to be useful, the sagacity of self-interest will soon lead to the abandonment of its coinage, by making no demand for it. Thus the community can in no event sustain much, if any, injury from it; while the facilities of the public, by having a coin of either metal, gold or silver, as small as one dollar, may be greatly increased. This kind of legislation, with a view to provide a full supply and variety of coin, instead of bills below five and ten dollars, is particularly conducive to the security of the poor and middling classes, who, as they own but little in, and profit but little by banks, should be subjected to as small risk as practicable by their bills.

The wealthy and commercial, for whose benefit, chiefly, banks are instituted, will then chiefly use their bills, and suffer by them if forged or depreciated; while the laboring classes and men of small means will, by the justice and paternal care of the Government, generally be provided with a currency of hard money, not exposed to any risk of failures, and to be used for all dealings of such an amount as their daily or weekly wants may in most cases require.

The new coinage has as yet been confined principally to the half and quarter eagles, and has equalled, in all, about \$3,114,090, or, in four months, more than four times the annual average coinage of gold for many years past.

The demand for other coins has also been promptly met throughout the year. To aid in carrying the new law into efficient operation, this department, last August, placed in the hands of the Director of the Mint, under the act of April 2, 1792, twenty thousand dollars, and ten thou-

sand more in September, as it was needed, and could be, without inconvenience, spared from the Treasury. By this course many have been enabled at once to realize funds from their deposit of bullion or coin, and the Mint to continue its operations uninterruptedly, and to supply promptly, when desired, coins already prepared for circulation.

The strong disposition of the public to use the new coinage has been observed with pleasure; and the liberal aid of many of the deposit banks in assisting to increase its circulation, has proved very useful, and deserves commendation. As the new coinage commenced nearly in the middle of the year, and the date, till next January, could not, by law, be altered, so as to distinguish the new from the old coin, such other alterations were adopted by the Director of the Mint as the law permitted, and as were calculated to aid the community in readily discriminating between them. After the next year begins, the new date alone will enable the public to distinguish the new coins; and such modifications only will be made in the former emblems as taste and convenience may, in the opinion of the Director, and without an omission of any thing required by Congress, appear to demand. His report, which it is expected will soon be received and presented, will probably furnish every further particular connected with the concerns of the Mint that may be interesting. But it is considered proper to invite the attention of Congress to a change in the law respecting the organization of the Mint establishment, so as hereafter to prevent its operations in refining and coining for others from being a tax on the Treasury, and any longer swelling the large amount of our annual expenditures. This could easily be effected by imposing a duty or seignorage of about one per cent. on the prompt coinage of silver, and one-fourth per cent. on that of gold; the present coinage of copper now defraying its own expense. This would be no more burdensome to the persons holding bullion than the delay now allowed for the recoinage; and which delay of 40 days, [or one-half per cent. discount if delivered in 5 days,] and consequent loss of interest, could, with such a seignorage, and the advances now authorized from the Treasury, be, without inconvenience, reduced to eight or ten days, and the whole establishment be thus sustained by its own earnings, without much, if any, increased cost to either individuals or the public. But, in such case, if the cost should ever be increased to individuals, some additional inducement will be held out to prevent either the exportation or melting of our coin, which have been so great, before the late change in the law, as to have left in deposit and circulation, in this country, an amount of it not exceeding that struck in two or three out of the forty years during which the Mint has been in operation. The expenses and labors of the Mint, equalling, on an average, about \$20,000 a year, or \$800,000 in all, excluding buildings, have thus, except for about two years, been entirely lost to the country.

It has been deemed desirable to attempt some improvements in the revenue cutter service. With such a view, all its regulations have been revised and republished. By those, it has been endeavored to promote the cause of temperance and thereby to increase the health and efficiency of the crews, and the safety of the public property and public interests in this branch of service, by holding out a similar inducement to that now existing in the navy, to discontinue the use of spirits on ship-

board. Greater security has been provided for the prompt payment of their wages, and for official accountability. It has further been deemed expedient, not only to stop any contemplated increase in the cutters, but to reduce the number of them, and of the persons employed in this service, as rapidly as the diminished temptation to smuggling will safely permit.

By several resolutions, appropriations, and acts of Congress, at the last and previous sessions, a variety of other subjects, not yet reported on, has been confided to the attention of this department, such as the erection of a number of custom-houses; the building of a bridge over the Potomac river in this District; a compromise of the suits pending against the firm of Th. H. Smith & Son; an opinion on the validity of some private land titles in Missouri; a report on certain provisions in the tariff act of July 14, 1832; some statements as to the marine hospital money; a reorganization of the Treasury Department; and a revision of the subject of salaries and fees to custom-house officers. These have received careful attention, and will form the subjects of separate reports to Congress, early in the present session. In the report on the last of them, it is contemplated to offer such suggestions, by way of addition to this communication, as are appropriately connected with that inquiry, and as would otherwise have been mentioned here in respect to some changes deemed suitable in the whole amount of compensation to various custom-house officers, and in the number of such officers at various ports, and in relation to other changes in the system, which the great alterations in the existing duties seem to indicate, as required for sound economy and the public convenience. A few remarks concerning hospital money will also be postponed, and annexed to the statement requested in relation to that subject.

In the preparation of new weights and measures on the authority given in the act of 2d of March, 1799, and on the principles set forth in a report from this department, of June 20, 1832, coupled with the provision on this subject in the constitution, some progress has been made since the date of that report. But the difficulty in procuring the most suitable materials from abroad has retarded the completion of the work, and the present engagements of the distinguished gentleman specially employed to superintend the business, and which engross most of his time in a survey of the coast, may, with the circumstance before named, prevent the final accomplishment of this desirable object another year. But it is hoped, that then, either at the arsenal in this city, or at the Mint, the most natural and appropriate place, the new weights and measures will be satisfactorily finished, and greater uniformity and accuracy attained on a subject in which, both as to revenue and commerce, it is much needed, and will prove eminently useful to the public.

The survey of the coast before alluded to has, since the last annual report, been transferred to the charge of the Navy Department, with which it seems to be more intimately and appropriately connected. With this survey, the situation and utility of our present lighthouses, already being 199 in number, besides 29 lightboats, and the necessity for others from time to time, would seem to be in some degree fitly associated. As a measure likely to lead to economy in not extending the establishment of lighthouses beyond the real wants of the country, and in fixing their exact locality, so important to the safety of our navigation

and navy, it is respectfully recommended, that in the survey now in progress, Congress should require the latitude and longitude of every lighthouse to be carefully ascertained and published; the importance of its position to be inquired into; and that no new one be hereafter erected till a report is made in respect to its public benefits by the two collectors, and the commander of the navy yard nearest the proposed site.

The rebuilding of the Treasury edifice on or near its former location, with the dimensions of the building enlarged so as to meet the wants of the department, and rendered fire-proof for the security of its papers, seems indispensable to its convenient operations, and to the safety of some of the most valuable records connected with the public archives.

The report from the Commissioner of the General Land Office is annexed, [E.] Many of its suggestions are highly important, and some of the recommendations, as to changes in this branch of the collection of public money, are respectfully though earnestly urged on the consideration of Congress.

The Indian titles having of late years been more extensively extinguished, the quantity of valuable lands brought into market has increased in amount, so as to place in the Treasury over three millions annually, instead of about one million, as was the case twenty years ago. Within the same period the land offices have been augmented in number from about eighteen to fifty-three, in actual operation in 1834.

These circumstances have added much to the business of that bureau, and should clearly lead to a corresponding increase in its clerks, or a separation from it of some of its present laborious duties, as the diminution in other business in some other bureaus might lead to reductions in the number of their clerks to the extent proposed in the plan soon to be submitted, on the re-organization of the Treasury Department. Attempts have been made during the past year, with some success, to simplify the mode of making entries in the General Land Office of the sales effected; some difficult and long delayed questions of accounts have been decided, greater local accommodations and facilities furnished to the office, and increased convenience and promptitude, as far as practicable with the present force of the bureau, have been introduced in the ascertainment of titles, and in the collection and disbursement of the large amount of revenue derived from this source. But new legislation can alone give entire relief, in the present condition of its enlarged duties, and at least \$30,000 a year, for ten years, will be required to be expended in additional clerk hire, to dispose of all the writing in arrear, and that may be hereafter rendered necessary by the additional sales of land.

It gives me great pleasure to state that, among more than fifty offices and one hundred receivers and registers connected with the present system of land sales, amenable to the Secretary of the Treasury, and under his control as to their collections, not one, during the last year, has proved to be a defaulter, although the money collected and paid over has probably exceeded four millions.

All which is respectfully submitted.

LEVI WOODBURY,
Secretary of the Treasury.

To Hon. JOHN BELL,
Speaker of Ho. of Reps. of the U. S.

SCHEDULE of documents accompanying the annual report of the Secretary of the Treasury.

- A. Statements and tables connected with the finances, from the Register's Office, from *e e.* to *k k.* inclusive.
- B. Opinions of the Attorney General as to the claim of damages by the Bank on the bill draft upon the French Government, and as to the seizure of the dividends, with the correspondence relating thereto, No. 1 to 3.
- C. A table of the comparative amounts of estimates, appropriations, and expenditures for the last three years.
- D. A list of bank and canal stocks owned by the United States.
- E. Report of the Commissioner of the General Land Office, and the papers therewith, marked (Land Office) *a.* to (Land Office) *d.*

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A. (*e e.*)

STATEMENT of moneys received into the Treasury from all sources other than Customs and Public Lands, for the year 1833.

From dividends on stock in the Bank of the United States	-	474,985	00
Sales of stock in the Bank of the United States	-	135,300	00
Third instalment for claims under the convention with Denmark	- - - -	221,315	17
Arrears of direct tax	- - - -	394	12
Arrears of internal revenue	- - - -	2,759	00
Fees on letters patent	- - - -	17,730	00
Cents coined at the Mint	- - - -	25,374	18
Fines, penalties, and forfeitures,	- - - -	2,889	84
Persons unknown, stated to be due the United States	- - - -	232	00
Surplus emoluments of officers of the customs	- - - -	33,243	90
Moneys obtained from the Treasury on forged documents	- - - -	1,158	33
Sale of houses on Greenleaf's Point, belonging to the United States	- - - -	1,400	00
Rent of houses on property purchased for the erection of warehouse in Baltimore	- - - -	60	03
Moneys previously advanced on account of removing the remains of former Members of Congress	- - - -	29	00
Lighthouse on the Outer Thunder Bay island, in Lake Huron	- - - -	77	35
Building customhouses and warehouses	- - - -	181	63
Fifth census	- - - -	8,135	13
Balances of advances made in the War Department repaid under the 3d section of the act of 1st May, 1820	- - - -	22,970	11
		116,634	62
		Dollars,	948,234 79

TREASURY DEPARTMENT,

Register's Office, November 3, 1834.

T. L. SMITH, Register.

A. (ff.)

STATEMENT of the expenditures of the United States for the year 1833.

CIVIL, MISCELLANEOUS, AND FOREIGN INTERCOURSE.

Legislature	-	-	-	\$469,073	83
Executive Departments	-	-	-	658,608	41
Surveyors	-	-	-	26,908	97
Commissioner of Public Buildings	-	-	-	2,000	00
Officers of the Mint	-	-	-	12,575	00
Governments in the Territories of the United States	-	-	-	54,750	35
Judiciary	-	-	-	338,841	72
					<hr/>
					1,562,758 28
Payment of sundry pensions granted by the late and present Government	-	-	-	1,367	93
Mint establishment	-	-	-	40,134	22
Extending the Mint establishment	-	-	-	11,000	00
Payment for unclaimed merchandise	-	-	-	210	19
Light-house establishment	-	-	-	265,684	32
Building light-houses, &c.	-	-	-	48,245	82
Surveying public lands	-	-	-	84,000	00
Survey of the Choctaw cession in Mississippi and Alabama	-	-	-	45,000	00
Survey of the public lands recently purchased from the Indians in Indiana	-	-	-	7,000	00
Registers and Receivers of Land Offices	-	-	-	2,871	20
Repayment of lands erroneously sold	-	-	-	88	62
Keepers of the public archives in Florida	-	-	-	1,000	00
Survey of the coasts of the United States	-	-	-	18,313	48
Marine hospital establishment	-	-	-	68,948	73
Roads within the State of Ohio, three per cent. fund	-	-	-	32,190	43
Roads and canals within the State of Indiana, three per cent. fund	-	-	-	28,075	47
Roads and canals within the State of Alabama, three per cent. fund	-	-	-	19,790	62
Roads and canals within the State of Missouri, three per cent. fund	-	-	-	16,145	45
Road from Line creek to the Chattahoochee	-	-	-	2,000	00
Public buildings in Washington	-	-	-	185,359	03
Purchase of the rights of the Washington Bridge Company, and for the erection of bridge on the site thereof	-	-	-	13,000	00
Support and maintenance of the penitentiary in the District of Columbia	-	-	-	17,000	00
Furniture of the President's house	-	-	-	20,000	00

Purchase of the rights of Washington Canal Company - - -	\$150,000 00
Improving the navigation of the Potomac river between Georgetown and Alexandria, and for other purposes -	100,000 00
Aqueduct across the Potomac river at or near Georgetown - - -	50,000 00
Stock in the Chesapeake and Ohio Canal Company - - -	299,000 00
Boundary line between Florida and Alabama - - -	200 00
Western boundary line of the State of Missouri - - -	140 00
Revision of all the former estimates of the population of the United States, -	300 00
Consular receipts - - -	614 52
Payment of certain certificates - -	1,026 30
Building custom-houses and warehouses -	250,415 23
For the discharge of sundry judgments against the former marshal for the eastern district of Pennsylvania, and for the relief of J. & W. Lippincott & Co. - - -	450 30
For liquidating and paying certain claims of the State of Virginia - -	229,576 59
Relief of sundry individuals - - -	132,172 55
Miscellaneous expenses - - -	110,772 14
Revolutionary claims - - -	184,237 93
Duties refunded on merchandise -	701,760 70

 \$,198,091 77

Salaries of the ministers of the United States - - -	\$7,049 57
Salaries of the secretaries of legation -	7,396 61
Salaries of the chargés des affaires -	58,348 94
Outfits of the ministers to Great Britain, France, and Russia - -	4,500 00
Outfits of the chargés des affaires to Great Britain, Central America, and Colombia - - -	13,500 00
Contingent expenses of all the missions abroad - - -	20,721 35
Salary of a dragoman and for contingencies of the legation to Turkey -	6,500 00
Diplomatic services of George W. Slocum, consul at Buenos Ayres - -	4,870 00
Diplomatic services of Michael Hogan, rendered in Chili - - -	18,112 50
Outfit and services of John R. Clay, acting as chargé des affaires at St. Petersburg, - - -	7,200 00

Arrearages on account of the services of Washington Irvin as chargé des affaires at London - - -	\$1,833 35
Contingent expenses of foreign intercourse - - -	20,000 00
Expenses of conveying the Netherlands minister and suite from New York to Curacao - - -	1,182 78
Expenses of accommodating the chargé des affaires at Constantinople, and for conveying the consul at Tangiers from Port Mahon to Tangiers, and for conveying the consul at Tripoli from Port Mahon to Tripoli - - -	500 00
Services of George F. Brown, consular agent at Algiers - - -	3,366 00
Intercourse with Barbary Powers - - -	12,649 47
To indemnify Sweden on account of injuries sustained by her subjects at St. Bartholomew's - - -	5,666 66
Compensation and expense of an agent to Havana to procure the archives of Florida - - -	4,000 00
Expenses of the commission under the convention between the United States and Denmark - - -	7,200 86
Expenses of the commission under the convention between the United States and the King of the French - - -	18,802 58
Expenses of the commission under the convention between the United States and the King of the Two Sicilies - - -	2,541 67
Salaries of the agents of claims at London and Paris - - -	4,000 00
Relief and protection of American seamen - - -	25,835 24
Payment of claims under the 9th article of the treaty with Spain - - -	6,175 00
Awards under the first article of the treaty of Ghent - - -	281 76
Awards under the convention with Denmark - - -	663,161 04
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	955,395 88

MILITARY ESTABLISHMENT.

Pay of the army and subsistence of officers	1,260,108 62
Arrearages of the pay department - - -	99 32
Subsistence - - -	324,649 97
Quartermaster's department, - - -	169,424 52
Transportation of officers' baggage, &c. - - -	62,479 14
Transportation of the army - - -	208,143 78
Forage - - -	49,047 98

Purchasing department	-	-	-	256,507	60
Clothing for officers' servants	-	-	-	27,389	35
Bounties and premiums	-	-	-	8,441	41
Expenses of recruiting	-	-	-	20,992	94
Gratuities	-	-	-	146	50
Medical or hospital department	-	-	-	34,416	14
Arrearages of the medical and hospital department	-	-	-	3,000	00
Contingencies of the army	-	-	-	10,555	54
Arrearages prior to 1st July, 1815	-	-	-	3,629	60
Invalid and half-pay pensions	-	-	-	288,007	13
Pensions to widows and orphans	-	-	-	6,284	15
Revolutionary pensions	-	-	-	787,376	88
Revolutionary pensions, per act 7th June, 1832	-	-	-	3,507,484	24
Fuel, forage, stationery, &c., at West Point	-	-	-	8,500	00
Repairs and improvements of the buildings and grounds at West Point	-	-	-	4,000	00
Pay of adjutants and quartermasters' clerks at West Point	-	-	-	900	00
Increase and expenses of the library at West Point	-	-	-	1,400	00
Models for drawing at West Point	-	-	-	900	00
Models for engineering at West Point	-	-	-	600	00
Philosophical apparatus at West Point	-	-	-	890	00
Miscellaneous items at West Point	-	-	-	1,575	00
Expenses of Board of Visitors at West Point	-	-	-	2,000	00
National armories	-	-	-	360,140	65
Dwelling houses at Springfield	-	-	-	7,000	00
Shop for grinding at Springfield	-	-	-	6,000	00
Additional machinery at Springfield	-	-	-	3,500	00
Double racks at Springfield	-	-	-	4,500	00
Dwelling houses at Harper's Ferry	-	-	-	8,600	00
Three new water wheels at Harper's Ferry	-	-	-	8,400	00
Repairs, &c. of dam, &c. at Harper's Ferry	-	-	-	3,374	55
Right to water power at Harper's Ferry	-	-	-	2,600	00
Enlargement of canal at Harper's Ferry	-	-	-	10,000	00
Repairing workshop at Harper's Ferry	-	-	-	1,500	00
Arsenals	-	-	-	115,345	89
Arsenal in Florida	-	-	-	15,000	00
Forty-five acres of land at Watervliet	-	-	-	9,000	00
Ordnance	-	-	-	62,370	39
Armament of fortifications	-	-	-	132,994	65
Arming and equipping the militia	-	-	-	212,505	58
Repairs and contingencies of fortifications	-	-	-	9,556	23
Accoutrements and swords	-	-	-	2,900	50
Fort Adams	-	-	-	159,606	41
Fort Calhoun	-	-	-	81,000	00
Fort Columbus and Castle Williams	-	-	-	32,000	00
Fort Delaware	-	-	-	50,000	00
Fort Jackson	-	-	-	3,266	29

Fort Macon	-	-	-	\$7,521 59
Fort Monroe	-	-	-	57,500 00
Fort at Oak island, Cape Fear, N. Carolina	-	-	-	21,490 00
Fort at Throgg's Neck, New York	-	-	-	10,000 00
Fort at George's island, Massachusetts	-	-	-	1,100 00
Fort on Cockspur island, Georgia	-	-	-	85,300 00
Fort at Mobile point, Alabama	-	-	-	49,998 00
Fort on Foster's bank, Pensacola harbor	-	-	-	14,900 00
Wharf at fort Washington	-	-	-	1,500 00
Fort on Grand Terre, Louisiana	-	-	-	5,000 00
Preservation of Castle island, and repairs of fort Independence	-	-	-	37,000 00
Repairs of fort Marion, and sea wall at St. Augustine	-	-	-	18,470 00
Fortifications at Charleston, South Carolina	-	-	-	114,110 74
Fortifications at Pensacola, Florida	-	-	-	132,000 00
Purchase of ground at fort Trumbull	-	-	-	400 00
Purchase of land at fort Gratiot	-	-	-	1,600 00
Wharf and site at fort Preble	-	-	-	3,770 00
Wharf at fort Independence	-	-	-	1,500 00
Wharf at fort McHenry	-	-	-	90 40
Barracks at fort Crawford, Prairie du Chien, N. W. Territory	-	-	-	8,000 00
Barracks at fort Howard, Green bay	-	-	-	10,000 00
Barracks at fort Severn, Annapolis	-	-	-	300 00
Barracks, quarters, &c. at Savannah	-	-	-	28,000 00
Barracks, quarters, &c. near New Orleans	-	-	-	40,000 00
Barracks and hospital at Baton Rouge	-	-	-	2,000 00
Barracks at Key West, and for other purposes	-	-	-	5,805 95
Storehouse and stable at Pittsburg	-	-	-	4,740 00
Purchase of one acre of land near Pittsburg	-	-	-	3,500 00
Erection of a storehouse at Baton Rouge	-	-	-	-
Breakwater, Delaware bay	-	-	-	331,058 02
Breakwater, Hyannis harbor, Massachusetts	-	-	-	9,920 10
Breakwater, Merrimack river, Massachusetts	-	-	-	2,500 00
Breakwater and dyke in Mill river, Con.	-	-	-	1,110 43
Sea wall, Deer island, Boston harbor	-	-	-	40,200 00
Pier and mole at Oswego, New York	-	-	-	8,400 00
Piers at Buffalo, New York	-	-	-	19,377 57
Work at Black Rock harbor, New York	-	-	-	2,597 73
Work at Dunkirk harbor, New York	-	-	-	5,200 00
Piers in Kennebunk river, Maine	-	-	-	1,700 00
Pier head in Cunningham creek, Ohio	-	-	-	500 00
Piers in La Plaisance bay, Michigan	-	-	-	8,123 07
Preservation of Provinceton harbor, Mass.	-	-	-	4,456 23
Repairing Plymouth beach, Massachusetts	-	-	-	600 00
Deepening channel, mouth of Pascagoula river, Mississippi	-	-	-	3,000 00
Improving the navigation of the Ohio and Mississippi rivers, from Pittsburg to New Orleans	-	-	-	10,300 00

Improving the navigation of the Ohio, Missouri, and Mississippi rivers -	60,900 00
Improving the navigation of Genesee river, New York - - - -	15,000 00
Improving the navigation of Cumberland river, Tennessee - - - -	17,000 00
Improving the navigation of Cape Fear river, North Carolina - -	17,488 00
Improving the navigation of Arkansas river -	15,000 00
Improving the navigation of Conneaut creek, Ohio - - - -	3,200 00
Improving the navigation of Ocklockney river, Florida - - - -	5,000 00
Improving the navigation of Choctawhatchie river, Florida - - -	2,500 00
Improving the harbors of New Castle, Marcus Hook, Chester, and Port Penn -	7,500 00
Improving the harbor of Presque Isle, Pennsylvania - - - -	7,500 00
Improving the harbor of Cleaveland, Ohio -	2,473 89
Improving the harbor of Chicago, Illinois -	17,360 00
Improving the navigation of Red river, Louisiana and Arkansas -	21,663 00
Removing obstructions in Kennebeck river, Maine - - - -	263 91
Removing obstructions, Big Sodus bay, New York - - - -	15,000 00
Removing obstructions in Huron river, Ohio - - - -	39 49
Removing obstructions in Black river, Ohio -	4,500 00
Removing obstructions in Grand river, Ohio -	68 51
Removing obstructions in Ashtabula creek, Ohio - - - -	1,125 02
Removing obstructions in Ocracoke inlet, North Carolina - - - -	14,400 00
Removing obstructions in Savannah river, Georgia - - - -	5,400 00
Removing obstructions in Appalachicola river, Florida - - - -	5,000 00
Removing obstructions in Escambia river, Florida - - - -	2,150 00
Removing obstructions in the river and harbor of St. Mark's, Florida -	5,430 00
Survey of White and St. Francis rivers, Arkansas - - - -	500 00
Purchase of instruments for ascertaining the northern boundary of Ohio -	6,110 00
Expenses of taking observations for northern boundary of Ohio - -	2,800 00
Surveys and estimates of roads and canals	35,212 38

Cumberland road in Ohio, west of Zanesville	\$122,747 39
Cumberland road in Indiana	101,000 00
Cumberland road in Illinois	40,000 00
Repairs of the Cumberland road east of the Ohio	218,961 58
Repairs of the Cumberland road in Virginia	34,440 00
Repairs of the Cumberland road	38 42
Road from Mattanawcook to Mars Hill, Maine	17,832 42
Road from Detroit to Fort Gratiot	15,000 00
Road from Detroit to Saginaw bay	4,000 00
Road from Detroit to Chicago	14,931 82
Road from Detroit to Grand river	11,750 00
Road from La Plaisance bay to the Chicago road	16,930 00
Road from Fort Howard to Fort Crawford	3,277 00
Road from Little Rock to the St. Francis river, Arkansas	15,000 00
Road from Washington to Jackson, Arkansas	1,906 38
Road from Line creek to the Chattahoochie	500 00
Surveys of canals between the bays of St. Andrew's and Chattahoochie, Florida, &c.	2,959 74
Payment of militia claims for services in 1831	32 00
Payment of militia and volunteers of Illinois and other States	442,449 01
Pay and subsistence of mounted rangers	131,447 00
Subsistence of militia to suppress Indian hostilities	55,163 20
Regiment of mounted dragoons	273,627 71
Balance due for printing infantry tactics	410 59
Relief of sundry individuals	14,436 41
Civilization of Indians	8,975 44
Pay of Indian agents	24,620 00
Pay of Indian subagents	14,646 95
Pay of interpreters and translators	15,806 00
Pay of gun and blacksmiths and assistants	11,320 64
Presents to Indians	10,041 82
Provisions for Indians at the distribution of annuities	9,326 10
Iron, steel, coal, &c. for gun and blacksmiths' shops	4,567 37
Transportation and distribution of annuities	6,892 51
Houses for agents and blacksmiths' shops	1,483 14

Provisions for Indians moving west in 1831 - - - -	\$2,391 08
Surveying reservations for half-breed Sac and Fox Indians - - - -	2,000 00
Surveying the northwestern boundary of the Miami and Pottawatamie cession - - - -	227 00
Removing Indian boundary line in Florida - - - -	135 49
Provisions and assistance to Indians emigrating and those settled on Kansas river - - - -	605 18
Corn and other provisions for Seminole Indians - - - -	1,000 00
Additional expenses at the Red river agency - - - -	1,300 00
Claims against Osages by citizens of the United States - - - -	834 50
Extinguishment of titles of Creeks to lands in Georgia - - - -	4,989 57
Extinguishment of the claims of the Cherokees to lands in Georgia - - - -	21,072 14
Purchase of the Creek and Cherokee reservations - - - -	11,283 00
Treating with Choctaws and Chickasaws for lands in Mississippi - - - -	3,126 17
Effecting treaty with the Creeks - - - -	1 44
Effecting treaty with the Cherokees - - - -	4,217 54
Effecting treaty of Butte des Morts - - - -	894 60
Effecting treaty with the Winnebagoes - - - -	768 40
Annuities to various Indians and Indian tribes - - - -	283,500 87
Education of Indian youths - - - -	21,121 00
Blacksmiths, gunsmiths, millers, &c. - - - -	25,463 67
Transportation and distribution of annuities, &c. - - - -	8,617 00
Claims against the Ottawas - - - -	21,242 25
Advances to Ottawas - - - -	2,000 00
Arrearages of Indian Department prior to 1829 - - - -	744 54
Cherokee schools - - - -	42,490 00
Medals for Indian chiefs - - - -	2,000 00
Vaccination of Indians - - - -	775 50
Effecting treaty with the Creek Indians - - - -	2,622 45
Effecting treaty with the Seneca Indians - - - -	2,153 60
Extinguishing titles of Delawares to reservations in Ohio - - - -	307 84
Three commissioners to treat with Indians - - - -	16,000 00
Provisions for Quapaws - - - -	1,000 00
Relief of friendly Indians on the northwestern frontier - - - -	883 55
Effecting certain Indian treaties, per act 13th January, 1831 - - - -	970 75

Effecting certain Indian treaties, per act of 2d March, 1831	\$22,767 40
To effect certain Indian treaties, per acts of 2d March, 1831, and 4th June, 1832,	66,692 14
Stipulations of certain treaties for 1831, per act of 20th April, 1832	4,565 00
Stipulations of certain treaties with Creeks, Shawanees, &c. per act 4th June, 1832	123,565 00
Effecting certain treaties, per act 13th July, 1832,	1,072 50
Extinguishment of Indian titles to lands in Missouri and Illinois, &c., per act of 14th July, 1832	9,908 05
To carry into effect certain Indian treaties and for other purposes, per act 2d March, 1833	735,329 79
Excess of expenditures by commissioners to hold treaty with Pottawatamies	3,700 00
Services of A. L. Davis, secretary to commissioners	171 00
Removing and subsisting Indians, per 7th article treaty 24th January, 1826	2,438 23
Repayment of improvements to Creeks under the 11th article of treaty 24th January, 1826	9,300 75
Deputation of Chickasaws to the seat of Government	1,650 00
Delegation of New York Indians to visit Green bay	1,890 00
Removing Shawanees from Ohio	1,640 00
Payment of two negroes to George Fields	700 00
Expenses of Sac and Fox prisoners as hostages	2,489 14
Removing and subsisting Indians	367,602 42
Annuities, per act of 19th February, 1808	48 84
Annuities, per act of 3d March, 1819	484 15
Annuities, per act of 26th May, 1824	268 13
Annuities, per act of 20th May, 1826, and 2d March, 1827	1,270 00
Annuities, per act of 26th May, 1826	3,500 00
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	13,199,146 99

From which deduct the following repayments :

For Rigolets and Chef Menteur	14 17
Repairing battery at Bienvenue	89 10
Security of Peapatch island, Fort Delaware	727 17
Survey of the harbor of Westbrook, Conn.	69 06

Survey of the harbor of Sag Harbor, N. Y.	-	\$15 71	
Survey of the river Thames, Conn.	-	5 24	
Examining piers at Sandy bay, Massachusetts	-	3 32	
Survey of Tucker's island, New Jersey	-	29 20	
Survey of the harbor of Stamford, Connecticut	-	16 60	
Road from St. Augustine to Tallahassee	-	34 28	
Permanent annuity to Miamies for 1831	-	2 50	
Contingencies of Indian department	-	95,474 82	
Exchange of lands with Indians, and their removal	-	181 20	
Aiding Creeks in their removal	-	412 52	
Annuities per act of 25th February, 1799	-	5,073 00	
Annuities per act of 21st April, 1806	-	666 67	
Tobacco, iron, steel, and laborers for Miamies for 1831	-	180 00	
		<hr/>	102,994 56
			<hr/> 13,096,152 43

NAVAL ESTABLISHMENT.

Pay and subsistence of the navy	-	1,348,868 49
Pay of superintendents, naval constructors, &c.	-	54,013 86
Provisions	-	376,269 63
Medicines and hospital stores	-	33,734 16
Navy yard, Portsmouth, New Hampshire	-	27,407 49
Boston, Massachusetts	-	71,573 47
New York	-	53,571 18
Philadelphia	-	5,124 29
Washington city	-	36,248 00
Norfolk, Virginia	-	150,877 45
Pensacola, Florida	-	28,976 64
Ordnance and ordnance stores	-	24,879 04
Gradual increase of the navy	-	1,859 24
Gradual improvement of the navy	-	272,552 96
Repairs of vessels	-	668,631 12
Building, equipping, and employing three schooners	-	379 89
Timber to rebuild the Java and Cyane	-	4,167 97
Rebuilding the frigate Macedonian	-	62,666 08
Iron tanks	-	73,886 06
Navy hospital at Norfolk	-	3,944 10

Furniture for navy hospital at Norfolk	-	\$1,825	75
Navy asylum at Philadelphia	-	27,300	00
Furniture for navy asylum at Philadelphia	-	4,856	25
Navy hospital at Charlestown, Mass.	-	26,000	00
Navy hospital at Brooklyn, New York	-	20,000	00
Navy hospital at Pensacola, Florida	-	12,800	00
Privateer pension fund	-	1,014	36
Agency on the coast of Africa (prohibiting slave trade)	-	1,650	00
Purchase of a bridge at Norfolk	-	16,000	00
Survey of Narragansett bay	-	1,217	99
Compensating board of officers for revis- ing rules, &c. of naval service	-	4,512	56
Captors of Algerine vessels	-	20	85
Relief of sundry individuals	-	6,795	97
Contingent expenses for 1831	-	4,370	16
Contingent expenses	-	268,644	39
Contingent expenses not enumerated,	-	4,467	40
Arrearage of contingent enumerated, prior to 1832	-	3,292	88
Pay and subsistence of the marine corps	-	124,971	92
Subsistence on shore	-	13,645	52
Extra emoluments of officers of marine corps	-	113	00
Allowances to certain officers of the marine corps	-	18,337	28
Clothing for the marine corps	-	29,519	17
Medicines and hospital stores for the ma- rine corps	-	2,371	25
Military stores for the marine corps	-	253	04
Fuel for the marine corps	-	10,641	57
Contingent expenses of the marine corps	-	14,321	23
Marine barracks at Philadelphia	-	3,000	00
		<u>3,921,573</u>	<u>42</u>

From which deduct the following repayments:

Navy hospital fund	-	18,123	56
Navy pension fund	-	415	35
Covering and preserving ships in ordinary	-	423	00
Timber shed, Portsmouth	-	511	61
Timber shed, New York	-	6	97
Timber docks at Washington, Norfolk, and Boston	-	1	00
Building ten sloops of war	-	44	66
Contingent expenses prior to 1824	-	67	73
Contingent expenses 1826	-	2	60
Contingent expenses 1829	-	191	36
Contingent expenses 1830	-	420	02
Contingent expenses not enu- merated for 1831	-	8	81

20,216 67

3,901,356 75

PUBLIC DEBT.

Interest on the funded debt	-	-	\$303,796 87
Redemption of the exchanged 4½ per cent. stock of 26th May, 1824	-	-	1,001,533 30
Redemption of the 5 per cent. stock of 3d March, 1821	-	-	23,346 71
Redemption of the 3 per cent. stock	-	-	213,886 56
Principal and interest of Treasury notes	-	-	929 13
Paying certain parts of domestic debt	-	-	50 81
			<hr/>
			1,543,543 38
			<hr/>
			\$24,257,298 49

TREASURY DEPARTMENT,

*Register's Office, November 3, 1834.*T. L. SMITH, *Register.*

A. (h h.)

STATEMENT of moneys received into the Treasury from all sources other than customs and public lands, from the 1st January to the 30th September, 1834.

From dividends on stock in the Bank of the United States,	\$ 234,349 50
Sales of stock in the Bank of the United States,	- 191,900
Arrears of direct tax,	- 19 80
Arrears of internal revenue,	- 1,895 70
Fees on letters patent,	- 14,820
Cents coined at the mint,	- 14,705
Fines, penalties, and forfeitures,	- 1,232 96
Persons unknown, stated to be due to the United States,	- 13 54
Surplus emoluments of officers of the customs,	- 13,255 44
Rent of houses on property purchased for the erection of a warehouse in Baltimore,	- 163 30
Postage of letters,	- 100
Fees for copies furnished by the Patent Office,	- 504 82
Consular receipts under the act of 14th April, 1792,	- 53 76
The consul of Rio Janeiro, for amount awarded by the Brazilian Government to the crew of the brig Sarah George, for wages and interest,	- 2,567 43
Dividend on stock in the Louisville and Portland Canal Company,	- 14,010

Moneys previously advanced on account of balances of advances	\$12,778 94	81,120 69
		<u>\$ 507,370 19</u>

TREASURY DEPARTMENT,

*Register's Office, November 27, 1834.*T. L. SMITH, *Register.*

A. (i i.)

STATEMENT of the expenditures of the United States from the 1st of January to the 30th September, 1834.

CIVIL, MISCELLANEOUS, AND FOREIGN INTERCOURSE.

Legislature	-	-	\$824,417 81
Executive Departments	-	-	505,891 32
Officers of the mint	-	-	10,600
Surveyors and their clerks	-	-	27,884 45
Commissioner of the Public Buildings	-	-	1,727 77
Governments in the territories of the United States	-	-	47,464 25
Judiciary	-	-	287,305 57
			<u>1,705,291 17</u>
Payments of sundry pensions granted by special act of Congress	-	-	937 50
Purchase of copper for the mint	-	-	26,670
Compensation to assistants in the several departments of the mint	-	-	20,820
Incidental and contingent expenses and repairs of the mint, &c.	-	-	20,050
Apparatus for parting gold and silver by the aid of sulphuric acid	-	-	5,000
Advances for effecting exchanges for bullion at the mint	-	-	30,000
Unclaimed merchandise	-	-	158 50
Support and maintenance of light-houses, &c.	-	-	216,578 97
Building light-houses	-	-	450
Public buildings in Washington, &c.	-	-	66,815 01
Penitentiary of the District of Columbia	-	-	8,500
Furniture for the President's house	-	-	6,000
Surveying the public lands	-	-	72,227
Survey of the Choctaw cessions in Mississippi and Alabama	-	-	20,562 84
Survey of lands in Illinois	-	-	20,000
Survey of lands in Indiana	-	-	7,000
Salaries of registers and receivers of land offices	-	-	875
Salaries of keepers of public archives in Florida	-	-	875

Final adjustment of land claims in Missouri - - - - -	\$4,325 08
Survey of the coast of the United States - - - - -	6,000
Repayments for land erroneously sold - - - - -	1,495 24
Marine hospital establishment - - - - -	56,738 82
Marine hospital at Charleston, S. C. - - - - -	1,100
Roads within the State of Ohio, (3 per cent. fund) - - - - -	10,963 94
Roads and canals within the State of Indiana (3 per cent. fund) - - - - -	11,933 13
Roads and canals within the State of Mississippi (3 per cent. fund) - - - - -	20,780 68
Encouragement of learning within the State of Illinois (3 per cent. fund) - - - - -	11,735 18
Northern boundary of Illinois (balance due to Lucius Lyon) - - - - -	1,068 12
Compilation of documents by Gales & Seaton, per act 2d March, 1831 - - - - -	40,000
Printing documents relative to public lands - - - - -	5,000
Purchase of the books and papers of General Washington - - - - -	20,000
Digest of the existing commercial regulations of foreign countries - - - - -	5,096 16
Building custom-houses and warehouses - - - - -	83,606 64
Aqueduct across the Potomac near Georgetown - - - - -	25,000
Purchase of the rights of the Washington Bridge Company, and for the erection of a bridge on the site thereof - - - - -	2,000
Bridge across the Potomac at Washington, D. C. - - - - -	1,600 50
To reimburse O. H. Dibble the actual loss incurred by him in making preparations to build a bridge across the Potomac - - - - -	7,104 16
To improve the navigation of the Potomac river between Georgetown and Alexandria - - - - -	15,000
Liquidating and paying certain claims of the State of Virginia, under the third section of the act of July 5, 1832 - - - - -	141,514 44
Relief of sundry individuals - - - - -	198,906 77
An act concerning naval pensions and the navy pension fund, approved 30th June, 1834 - - - - -	167,164 40
Revolutionary claims, per act 15th May, 1828 - - - - -	163,973 58
Additional compensation to collectors, naval officers, &c. - - - - -	51,544 46
Duties refunded on merchandise - - - - -	12,282 20
Do on wines - - - - -	96,263 99
Miscellaneous expenses - - - - -	16,264 37
	<hr/>
	1,701,981 68

Salaries of ministers of the United States	\$13,829
Salaries of secretaries of legation	6,722 08
Salaries of chargés des affaires	41,155 66
Contingent expenses of all the missions abroad	14,849 78
Outfits of the minister to Russia, and chargé des affaires to Buenos Ayres, Chili, and Brazil	18,000
Salary of the drogoman to Turkey, and contingent expenses of the legation	5,000
Contingent expenses of foreign intercourse	9,625 65
Salaries of the agents of claims at London and Paris	2,000
Relief and protection of American seamen	25,088
Intercourse with the Barbary Powers	14,893 50
Expenses of the commission under the convention with the King of the French	10,038 80
Expenses of the commission under the convention with the King of The two Sicilies	8,625
Claims on France under the convention of 1803	3,396 70
To reimburse the State of Maine for expenses of supporting certain American citizens in prison at Frederickton, New Brunswick	775
Awards under the convention with Denmark	2,801 25
	<hr/> 176,800 42

MILITARY ESTABLISHMENT.

Pay and subsistence of officers	\$883,500 35
Subsistence department	269,141 01
Quartermaster's department	212,279 36
Transportation of officers' baggage	34,362 56
Do of the army, &c.	66,218 41
Forage	51,038 25
Purchasing department	245,384 01
Payments in lieu of clothing for discharged soldiers	10,889 96
Clothing of officers' servants	23,101 12
Bounties and premiums	2,508 91
Expenses of recruiting	14,004 78
Medical or hospital department	21,385 52
Contingencies of the army	6,608 31
Arrearages prior to July, 1815	2,903 91
Invalid and half pay pensions	240,644 98
Pensions to widows and orphans	3,778 44
Revolutionary pensions	773,273 53
Do per act of 7th June,	
1832	2,321,919

Invalid pensions, per act 2d March, 1833	\$2,263	
National armories	277,928	35
A pay office and store at Springfield ar-		
mory	2,000	
Double racks at do	600	
Gun racks and window shutters to new		
arsenal at Springfield armory	7,800	
Additional machinery and fixtures at		
Springfield armory	7,000	
Slating roof and rebuilding water-wheel		
at Springfield armory	3,500	
Repair and extension of public dam at		
Harper's Ferry armory	1,625	45
Enlargement of the canal at Harper's Fer-		
ry armory	3,495	
Forging shop, tilt hammer, &c., at Har-		
per's Ferry armory	3,000	
Repairing dam and removing obstructions		
at Harper's Ferry armory	2,000	
Completing machinery, &c., at Harper's		
Ferry armory	15,200	
Erecting storehouses, &c., at Harper's		
Ferry armory	1,000	
A building for exercise at West		
Point	\$7,000	
A chapel at West Point	5,000	
Expenses of the Board of Visit-		
ers at West Point	2,000	
Fuel, stationery, &c., at West		
Point	4,243	
Repairs and improvements of		
buildings, &c., at West Point	4,805	
Pay of adjutant's and quarter-		
master's clerks at West Point	625	
Philosophical apparatus at West		
Point	349	
Models for engineering depart-		
ment at West Point	400	
Models for drawing depart-		
ment at West Point	558	
Mineralogy, artillery, and		
sword exercise at West Point	565	
Increase and expenses of library		
at West Point	559	61
Completing out-buildings and		
culverts attached to the ca-		
dets' barracks at West Point	1,081	50
Miscellaneous items	835	60
		28,071 11
Arsenals		136,297 93
Payment of taxes on United States arse-		
nal, on the Schuylkill		522 18

Arming and equipping militia	-	-	\$188,086	42
Arms for mounted rangers	-	-	2,598	
Do for South Carolina	-	-	6,131	
Cannon	-	-	4,266	67
Ordnance service	-	-	49,035	27
Armament of fortifications	-	-	52,972	30
Repairs and contingencies of fortifications	-	-	5,628	06
Fort Adams	-	-	78,500	
Calhoun	-	-	46,200	
Columbus and Castle William	-	-	18,000	
Delaware	-	-	19,000	
Macen	-	-	5,900	
Monroe	-	-	24,200	
Warren, on George's island, Massachusetts	-	-	23,000	
Fort Schuyler, on Throg's neck, New York	-	-	18,600	
Fort Pulaski, on Cockspur island, Georgia	-	-	46,100	
Morgan, on Mobile point, Alabama	-	-	3,611	35
Livingston, on Grand Terre, Barrataria, Louisiana	-	-	20,000	
Fort on Foster's bank, Pensacola harbor	-	-	30,000	
Repair of Fort Marion	-	-	1,530	
Purchase of land adjoining Fort Sullivan	-	-	3,300	
Do of three acres of land on Alabama river	-	-	1,800	50
Fortifications in Charleston harbor	-	-	34,700	
Do at Pensacola	-	-	40,000	
Barracks, quarters, &c., at Savannah	-	-	7,000	
Do do at New Orleans	-	-	50,000	
Do and hospital at Baton Rouge	-	-	13,500	
Do at Key West, and purchase of ground on which they stand	-	-	2,132	89
Carrying on works in the city of Savannah	-	-	20,500	
Repairs and alterations of the barracks and quarters at Baton Rouge	-	-	6,500	
Erecting officers' quarters at Fort Severn	-	-	2,000	
Carrying on the works at Green Bay	-	-	5,000	
Storehouse and stable at Pittsburg	-	-	200	
Breakwater near the mouth of Delaware bay	-	-	167,130	29
Breakwater at Hyannis harbor	-	-	3,770	
Sea wall, Deer island, Boston harbor	-	-	6,780	
Piers at Buffalo, (works at Buffalo)	-	-	15,406	71
Do at the entrance of Kennebunk river	-	-	3,000	
Do at La Plaisance bay, Michigan	-	-	4,895	
Pier and mole at Osage	-	-	5,200	
The work at Black Rock harbor, N. Y.	-	-	4,000	
Do at Dunkirk	-	-	3,000	
Preservation of Plymouth beach	-	-	1,500	
Deepening the channel at the mouth of Pascagoula river, Mississippi	-	-	1,937	16

Improving the navigation of Cumberland river, Tenn. - - -	\$8,500
Improving the navigation of Cape Fear river, N. C. - - -	10,470
Improving the navigation of Choctawhatchie river, Florida, - - -	2,500
Improving the navigation of Ohio, Missouri, and Mississippi rivers, - -	40,400
Improving the navigation of Red river, -	33,200
Do do of Tennessee river, -	12,500
Securing the works of Presque Isle, Pa.	11,000
Improving the harbors of Newcastle, Marcus Hook, Chester, and Port Penn, -	2,050
Improving the harbor of Cleaveland, Ohio, -	4,254 40
Do do of Chicago, Illinois, -	21,240 09
Removing obstructions of Huron river, Ohio, - - -	1,007 82
Removing obstructions of Black river, Ohio, - - -	3,319 40
Removing the obstructions of Grand river, Do do of Ashtabula creek, -	13 55
Do do of Ocracoke inlet, -	837 52
Do do of Savannah river, Georgia, - - -	12,900
Removing obstructions of river and harbor of St. Mark's, - - -	10,600
Removing obstructions of Big Sodus bay, -	4,500
Beacon light on the pier at Conneaut river, Do do at Cunningham harbor, -	11,600
Expenses of taking observations for the northern boundary of Ohio, -	1,000
Surveys and estimates of roads and canals, Cumberland road in Ohio, west of Zanesville, - - -	2,000
Cumberland road in Indiana, - - -	4,700
Do do in Illinois, - - -	21,315 03
Repairs of Cumberland road, east of Ohio, -	21,315 03
Roads from Detroit to Saganaw bay, -	154,400
Do do to Grand river, -	64,373
Do La Plaisance bay to the Chicago road, - - -	38,752 03
Roads from Fort Howard to Fort Crawford, - - -	70,000
Road from Line creek to the Chattahoochie, Do St. Augustine to Tallahassee, -	15,424 69
Repair of Mars hill military road, Maine, Road from Memphis to Strong's, on St. Francis river, - - -	15,000
Road from Memphis to Little Rock, -	12,539 34
Road between Port Lawrence and Adrian, -	169 50
Road from Vistula to the Indian State line, -	10,040
	34 28
	3,000
	22,000
	16 54
	5,000
	5,000

Road from north boundary of Florida to		
Appalachicola, - - -	\$2,500	
Regiment of dragoons, - - -	69,094	29
Balance due commissioners for marking a		
road to New Mexico, - - -	1,497	54
Payment of Missouri militia claims for		
services in 1829, - - -	290	01
Pay and subsistence of mounted rangers,	1,416	63
Repressing Indian hostilities on the west-		
ern frontier, act 2d March, 1833, -	5,000	
Payment of officers and six companies of		
Missouri militia, - - -	35,000	
Relief of individuals, - - -	49,502	23
Redemption of American captives, -	70	
For payment of balance due the repre-		
sentatives of Samuel Babcock, -	146	23
For payment of balance due to Major P.		
H. Panault, - - -	2	84
For payment of balance due to Joseph D.		
Selden, - - -	1,697	62
Civilization of Indians, - - -	7,844	79
Pay of Indian agents, and superintendents		
of Indian affairs, - - -	16,046	39
Pay of subagents, - - -	9,470	84
Do interpreters and translators, -	9,630	07
Do gun and blacksmiths, and assist-		
ants at the several agencies, - -	2,182	89
Presents to Indians, - - -	3,794	32
Iron, steel, coal, &c. for gun and black-		
smiths' shops - - -	470	92
Transportation and distribution of annui-		
ties, - - -	747	23
Provisions for Indians at the distribution		
of annuities, - - -	6,004	80
Houses for agents, and blacksmith's shops,	2,189	44
Contingencies of the Indian Department,	8,178	68
Effecting treaty with the Winnebagoes,		
act 25th March, 1830, reappropriated,	65	00
Exchange of land with the Indians, and		
their removal west, - - -	311	20
Holding a treaty with the Wyandot Indians,	1,000	
<i>Indian annuities and other similar objects.</i>		
<i>Act 20th Feb., 1833, and prior.</i>		
Indian annuities, - - -	392,486	38
Education of Indian youths, - - -	22,459	01
Blacksmiths, gunsmiths, millers, &c. -	1,074	32
Treaty, transportaton, and contingencies,	30	50
Fulfillment of the 3d and 5th articles of the		
Creek treaty of 24th March, 1832, -	2,000	
Choctaw schools, - - -	321	24

Vaccination of Indian tribes, - - -	\$525 40
Effecting treaty with Creek Indians, act 22d May, 1826, - - -	392 52
Effecting treaty with the Pottawatamies, act 2d March, 1829, - - -	58
Cherokee delegation to Washington, in 1832, - - -	96 50
Effecting certain treaties, act 2d March, 1831, &c. - - -	9,179 70
Stipulations of certain treaties with Creeks, Shawanees, &c. act 4th June, 1832, - - -	4,662 00
To carry into effect certain Indian treaties, act 2d March, 1833, - - -	202,191 83
To carry into effect certain Indian treaties, act 28th June, 1834, - - -	69,728 25
Indian annuities and other similar objects, act 26th June, 1834, - - -	109,975 91

\$8,357,449 66

From which deduct the following re-
payments :

Preservation of George's island, - - -	60
Survey of Florida canal, - - -	233 63
Deepening the channel through the Pass au Heron, Ala. - - -	1,075 43
Improving the navigation of Arkansas river, - - -	38
Pay of militia and volunteers of Illinois and other States, - - -	3,475 16
Subsistence of militia to sup- press Indian hostilities, act 14th June, 1832, - - -	72 68
Road from Detroit to Fort Gratiot, - - -	424 69
Road from Coleraine to Tampa bay, - - -	59 66
Road from Fort Smith to Fort Towson, - - -	625 30
Road to Jacksonville, - - -	87 49
Effecting treaty with the Ptan- keshaws and Weas, of 29th September, 1832, - - -	1,407 15
Transportation of annuities and agricultural instruments, - - -	49 81
Annuities, per act 6th May, 1796, - - -	500

8,049 60

8,349,400 06

NAVAL ESTABLISHMENT.

Pay and subsistence of the navy, - - -	1,102,225 43
Pay of superintendents, naval construct- ors, &c. - - -	42,901 70

Provisions, - - - -	\$345,792 61
Medicines, surgical instruments, and hos- pital stores, - - - -	20,381 90
Navy yard at Portsmouth, - - - -	21,645 01
Do at Boston, - - - -	59,554 11
Do at New York, - - - -	45,436 39
Do at Philadelphia, - - - -	6,550 -
Do at Washington, - - - -	15,468 20
Do at Norfolk, - - - -	106,584 17
Do at Pensacola, - - - -	37,759 21
Ordnance and ordnance stores, - - - -	9,029 23
Gradual increase of the navy, - - - -	3,654 27
Gradual improvement of the navy, - - - -	85,710 98
Repair of vessels in ordinary, and wear and tear of vessels in commission, - - - -	536,605 31
Rebuilding frigate Macedonian, - - - -	12,750 -
Iron tanks, - - - -	42,000 01
Furniture for naval asylum, Philadelphia, - - - -	300 -
Navy hospital at Pensacola, - - - -	17,188 -
Completing and furnishing hospitals, - - - -	28,583 35
Experiments on the steam engine, - - - -	100 -
Agency on the coast of Africa, suppression of the slave trade, - - - -	1,050 -
Survey of the coast of the United States, - - - -	14,943 88
Compensating board of officers for re- vising rules, &c. of the naval service, - - - -	300 -
Contingent expenses, - - - -	183,690 53
Do do not enumerated, - - - -	1,348 28
Arrearages of enumerated contingencies prior to 1st January 1832, - - - -	267 92
Relief of individuals, - - - -	19,512 93
Pay and subsistence of the marine corps, - - - -	104,474 97
Subsistence of non-commissioned officers, &c. of marine corps serving on shore, - - - -	11,990 79
Clothing for non-commissioned officers of marine corps, - - - -	13,129 02
Medicines and hospital stores for marine corps, - - - -	2,165 68
Military stores for marine corps, - - - -	366 98
Fuel for do - - - -	6,326 84
Contingent expenses of do - - - -	13,358 59
Transportation and recruiting marine corps, - - - -	1,373 14
Marine barracks and hospital at head quarters, - - - -	941 82
Arrearages of pay &c. to officers of the marine corps, - - - -	15,699 75
	<hr/>
	2,931,161 00

From which deduct the following
repayments :

Navy hospital fund, -	\$4,214	29	
Navy pension fund, -	5,615	14	
Privateer pension fund, -	2,199	75	
Survey of Narragansett bay, -		91	36
Covering and preserving ships in ordinary, -	2,653	88	
Furniture for navy hospital at Norfolk, -		1	22
Navy hospital at Norfolk, -			81
Contingent expenses for 1827, -		14	90
do do for 1828, -	2,632		35
do do for 1830, -			
not enumerated, -		540	
Contingent expenses for 1831, -		14	18
			<hr/>
			17,977 88
			<hr/>
			2,913,183 12

PUBLIC DEBT.

Interest on the funded debt, -		135,155	97
Redemption of exchanged $4\frac{1}{2}$ per cent. stock, 26th May, 1824, -		1,256,968	77
Redemption of 5 per cent. stock of 1821, -		306,452	97
Paying certain parts domestic debt, -		38	74
Reimbursement of Treasury notes, -		72	02
			<hr/>
			1,698,686 47
			<hr/>
			\$16,545,342 92

TREASURY DEPARTMENT,

Register's Office, Nov. 27, 1834.

T. L. SMITH, Register,

A. (k k.)
ESTIMATE of the Public Debt as it will exist on the 1st January, 1835.

Denomination.	Date of acts constituting the stocks.	When redeemable.	Amount.
Unfunded registered debt, being claims for services and supplies during the revolutionary war	July 9, 1798	On presentation	\$ 27,437 96
Treasury notes issued during the late war	February 24, 1815	Ditto	5,975 00
Mississippi stock	March 3, 1815,	Ditto	4,320 09
			<hr/> \$ 37,733 05

Amount of the debt on the 1st of January, 1834, per statement B, which accompanied the report of the Commissioners of the Sinking Fund of the 7th February, 1834 - - - - - \$ 6,002,507 98

Deduct amounts paid and to be paid during the present year, viz.

The residue of the exchanged $4\frac{1}{2}$ per cent. stock issued under the act of 26th May, 1824 \$ 1,252,625 90
 And the residue of the 5 per cent. stock issued under the act of the 3d March, 1821 - 4,712,060 29
\$ 5,964,686 19

On account of the unfunded debt, viz.

Of the registered debt	-	-	-	-	-	-	\$ 38 74
Treasury notes	-	-	-	-	-	-	54 00
							88 74
							5,964,774 93
					As above	-	\$ 37,733 05

TREASURY DEPARTMENT, Register's Office, November 27, 1834.

T. L. SMITH, Register.

B.

Documents accompanying the annual report of the Secretary of the Treasury, in relation to the bill of exchange on the Government of France, and seizure of dividends.

1. Correspondence with the Bank United States.
2. Letter of the Attorney General of the United States to Hon. R. B. Tanev, and his opinion on the claim of the Bank U. S. for damages on bill of exchange on France.
3. Opinion of the Attorney General of the United States, on the seizure of the dividends on stock of the United States in the Bank United States.

B 1.

Correspondence with the Bank of the United States, in relation to the bill of exchange on France.

BANK UNITED STATES,
April 26, 1833.

SIR: I have the honor to inform you that I have this day received advice from Paris that your bill of exchange in my favor, for four million eight hundred and fifty-six thousand six hundred and sixty-six francs and sixty-six centimes (francs 4,856,666 66) has been protested for non-payment. As soon as the bills and protest are received, a statement of the account will be forwarded to you. In the mean time, you will please to take notice that the Bank holds you responsible for principal, interest, costs, damages, and exchange.

I have the honor to be,

With great respect, sir,

Your obedient servant,

S. JAUDON, *Cashier.*

Hon. LOUIS McLANE,

Secretary of the Treasury, Washington.

BANK UNITED STATES,
May 13, 1833.

SIR: Begging reference to my respects of the 26th ult., I have now the honor to transmit to you herewith your original bill of exchange, dated 7th. February last, in my favor, at sight, on M. Humann, Minister and Secretary of State for the Department of Finance, Paris, for four million eight hundred and fifty-six thousand six hundred and sixty-six francs and sixty-six centimes, and the protest for the non-payment of said bill, dated March 22, 1833, which bill and protest were received by me this day. I transmit, also, herewith, the instrument executed by the President, under the seal of the United States, which accompanied and was returned

with this bill, and the account of Messrs. Hottinguer & Co., our bankers in Paris, of the costs of protest, &c., together with the Bank's account of return of said bill. The amount of the last is 5,630,765 francs 91 centimes, equivalent, at 5.30 francs, the current rate of exchange this day for a bill on Paris, at sight, to \$1,062,408 66, due in cash this day.

I have the honor to be,

With great respect, sir,

Your obedient servant,

S. JAUDON, *Cashier.*

Hon. LOUIS McLANE,

Secretary of the Treasury, Washington.

STATEMENT of the payment and charges made by Hottinguer & Co., of Paris, on a bill of f. 4,856,666 66, drawn by the Secretary of the Treasury of the United States upon M. Humann, Minister of Finance, protested for non-payment, and which they paid for the honor of the signature, and for account of S. Jaudon, Cashier of the Bank of the United States of America.

f.4,856,666 66 amount of the bill.

24,283 33 commission, half per cent.

f.4,880,949 99

3,399 90 stamp.

27 65 protest and translation.

14 45 second and third of protest and legalization.

35 00 paid to American consul at Havre, expenses for the document to be copied upon his books.

f.4,884,427 99

Say four million eight hundred and eighty-four thousand four hundred and twenty-seven francs and ninety-nine centimes, which we place to the debit of the Bank of the United States, due 22d March, 1833.

Errors excepted.

PARIS, 30th March, 1833.

HOTTINGUER.

TREASURY DEPARTMENT,
May 16, 1833.

SIR: The letter of the cashier of the Bank, Mr. Jaudon, dated the 26th ultimo, informing me of the non-payment of the bill drawn by this department on the French Government for the amount of the fifth instalment payable under the late convention, was duly received; and yesterday, that of the 13th, returning the bill and protest, and the account of the Bank therefor, was also received. As the proceeds of the bill have not been brought into the Treasury by warrant, the department has it in its power to return the amount immediately to the Bank, and the Treas-

surer has been requested to instruct the cashier of the Bank to recharge the same to his account. The account of the Bank for the return of the bill is under consideration, and the result, which is not to be affected in either way by this payment, will be communicated in a few days.

I am, respectfully,

Your obedient servant,

LOUIS McLANE,

Secretary of the Treasury.

N. BIDDLE, Esq.

President Bank United States, Philadelphia.

BANK OF THE UNITED STATES,

June 19, 1833.

SIR: In a letter which I had the honor to receive from your predecessor, under date of the 16th ultimo, it was stated that the account of the Bank for the return of the protested bill on the French Government was under consideration, and that the result would be communicated in a few days. The approaching semi-annual settlement of the affairs of the Bank, on the 1st of the next month, makes it desirable to arrange all its unadjusted accounts at that period, and it will therefore be acceptable, if entirely consistent with your convenience, to learn whether the account in question can be settled before that time.

I have the honor to be,

Very respectfully,

N. BIDDLE, *President.*

Hon. WILLIAM J. DUANE,

Secretary of the Treasury, Washington.

TREASURY DEPARTMENT,

June 21, 1833.

SIR: In reply to your letter of the 19th instant, I beg leave to inform you that, upon the receipt of "the account of the Bank for the return of the protested bill on the French Government," and before I took charge of this department, it was deemed proper to submit it to the consideration of the Attorney General of the United States, and that, according to the opinion of that officer, expressed in a letter of which a copy is sent herewith, the item of fifteen per cent. damages on the amount of the bill has no foundation in law or equity.

As the account stated by the Bank, with the exception of that item, appears to be correct, if supported by proper vouchers, it would have given me pleasure to have it settled prior to the approaching semi-annual settlement of the affairs of the Bank, and with an understanding that this settlement should not affect the rights of the Bank otherwise, if any it

has. But as the fund from which the payment is to be made is at present insufficient, I am under the necessity of postponing it until the President's return, after which the requisite measures will be promptly adopted.

I am, very respectfully,

Your obedient servant,

WILLIAM J. DUANE,

Secretary of the Treasury.

N. BIDDLE, Esq.,

President Bank United States, Philadelphia.

ATTORNEY GENERAL'S OFFICE,

May 24, 1833.

SIR: I have carefully examined the claims presented by the Bank of the United States, on account of the protest of the bill of exchange drawn by you on the French Government, for the first instalment and interest due the United States, under the convention with France of July 4, 1831. The account stated by the Bank, if supported by proper vouchers, appears to be correct, with the exception of the claim of fifteen per cent. damages on the amount of the bill. This item, in my opinion, has no foundation in law or in equity, and ought not to be paid by the Government. The Bank is entitled to indemnity, and to nothing more. I will take another occasion to state to you the reasons on which my opinion is formed, and am,

Very respectfully,

Your obedient servant,

R. B. TANEY.

To the SECRETARY of the Treasury.

OFFICE OF BANK UNITED STATES,

Washington, June 25, 1834.

SIR: By direction of the Bank of the United States, I hand you, enclosed, an account for the damages and interest on the bill drawn by the Treasury Department on the French Government, and returned protested in March, 1833. This account was presented by me to the First Auditor for settlement, on the 23d inst., and returned by him on the 24th inst. with the remark, "that as the claim is understood to be predicated on a negotiation or arrangement in relation to said bill between the Bank and the head of the Treasury, his approval, or an appropriation by Congress, is deemed necessary by the accounting officers of the department, before they can consider themselves authorized to take cognizance of it." For the purpose of obtaining from you the instructions which are deemed necessary, the account is now presented to you, and I will be much obliged by your acting on the case as soon as your engagements will permit, as the Bank is anxious to know the final decision of your department in relation thereto.

I am, sir, respectfully, your obedient servant,

R. SMITH, *Cashier.*

Hon. ROGER B. TANEY,

Secretary of the Treasury.

BANK OF THE UNITED STATES,

May 13, 1833.

Account of return, with protest for non-payment, of a bill of exchange drawn by Louis McLane, Secretary of the Treasury, dated Treasury Department of the United States, Washington, February 7, 1833, at sight, to the order of Samuel Jaudon, cashier of the Bank of the United States, on M. Humann, Minister and Secretary of State for the Department of Finance, Paris :

Principal due, March 22, 1833, - - - fr. 4,856,666 66

Costs of protest as per Messrs. Hottinguer & Co.'s account of charges herewith, exclusive of their commission, which is covered by the damages charged below, 3,478 00

4,860,144 66

Interest from March 22d, (the date of protest,) to May 13th, fifty-two days, - - - 42,121 25

Damages on fr. 14,856,666 66, at 15 per cent. - - 728,500 00

5,630,765 91

which, at 5 30, the current rate of exchange for a bill at sight on Paris, is \$1,062,408 66, due in cash this day, with interest until paid.

The United States of America, to the President, Directors, and Company of the Bank of the United States, Dr.

1833, May 13. For amount due upon the bill of exchange drawn by Louis McLane, Secretary of the Treasury, dated February 7th, 1833, as per copy herewith of the account of return of said bill under protest for non-payment, rendered this day to the Secretary of the Treasury, with vouchers, \$1,062,408 66

“ 18. Deduct amount this day received from the Treasurer of the United States, per his letter dated Washington, May 16, 1833, 903,565 89

158,842 77

Interest on the above balance, from May 13, 1833, to June 21, 1834, 13 months 8 days, at 6 per cent. per annum, - 10,536 56

\$169,379 33

BANK U. STATES, June 21, 1834.

S. JAUDON, Cashier.

TREASURY DEPARTMENT,

July 2, 1834.

SIR: In reply to your communication addressed to the department on the 25th ultimo, I have to state that the department is not aware of any circumstance having occurred since its letter to the President of the U.

States Bank, of the 21st of June, 1833, changing the opinion of your claim for damages on account of the French bill of exchange, as expressed by the Attorney General, and by the department, in conformity thereto,

I am, very respectfully,

Your obedient servant,

LEVI WOODBURY,
Secretary of the Treasury.

RICHARD SMITH, Esq.,
Cashier Branch U. S. Bank, Washington.

BANK OF THE UNITED STATES,

July 8, 1834.

SIR: I have had the honor of receiving your letter of the 3d instant, requesting that the dividend on the stock of the Bank owned by the United States, should be placed to the credit of the Treasurer of the United States, at the office of this Bank in Washington, which was this morning submitted to the Board of Directors. At the same time was presented a copy of your letter to the cashier of that office, dated the 2d instant, containing the final refusal of the Treasury to allow the claim of the Bank for damages on the protested bill upon the French Government.

After due consideration of the contents of these communications, I am instructed by the Board of Directors to inform you, that from the dividend payable on the 17th of this month there will be deducted the amount due to the Bank for damages, costs, and interest upon the bill of exchange drawn by the Secretary of the Treasury on the French Government, and that the remainder shall be placed to the credit of the Treasurer in the office at Washington, in conformity to your request. I am further instructed to say, that this course is adopted by the Board of Directors, not merely from a conviction of the obvious justice and propriety of it, but because it furnishes the best, if not the only mode of obtaining a judicial decision of the case by the proper tribunals. To procure that decision, the board will give every facility in their power; and if there is any other mode of submitting the rights of the respective parties to the judicial tribunals more acceptable to you, any suggestion by you for that purpose will not fail to receive the prompt and respectful consideration of the Board of Directors. In the mean time, I have the honor to be, very respectfully, yours,

N. BIDDLE, *President.*

Hon. LEVI WOODBURY,
Secretary of the Treasury, Washington.

BANK OF THE UNITED STATES,

July 8, 1834.

SIR: I had this day the honor of informing you that the Board of Directors would deduct from the dividend payable to the United States on the 17th day of this month, the amount due to the Bank on account of

damages on the bill of exchange on the French Government. I am instructed to apprise you, at the same time, that in thus enforcing their right in this particular case, they desire not to be understood as waiving any other claim upon the Government; and they more especially wish it to be understood, that they do not waive their claim for full compensation and indemnity for the violation of the charter of the Bank, by the removal from its custody of the public funds, for the use of which the Bank had paid a valuable consideration.

That claim is reserved in full force, to be asserted at such time and in such manner as may hereafter be deemed expedient.

I have the honor to be,

Very respectfully, yours,

N. BIDDLE, *President.*

Hon. LEVI WOODBURY,

Secretary of the Treasury, Washington.

TREASURY DEPARTMENT,

July 14, 1834.

SIR: Your two communications, under date of the 8th instant, have been received. The course pursued by the Bank over which you preside, in determining to withhold a portion of the dividends due on the stock of the United States, has excited much surprise in this department, and at the present time is more to be regretted, as Congress is not in session to provide for the deficiency thus caused in the estimated revenue from the bank stock the present year. The claim for damages on the bill of exchange drawn upon France, to answer which it is stated that payment of part of the dividends is now refused, was disallowed by this department before the last two dividends were passed to the credit of the Treasury, and some months before the recent session of Congress commenced. Consequently, it was presumed that the claim, if not abandoned, would be presented and pursued before that body, in the manner usual with claims against the United States, when the latter has not instituted any action at law against the claimant.

Besides these considerations, it would not have been anticipated as probable that all the dividends accruing would not be paid with promptitude and fidelity, when it was known that the case of a failure in a stockholder to discharge his subscription to the capital of the Bank was the only case where the charter makes an express provision that he shall lose the benefit of the dividends; and in this instance, that the United States, though a large stockholder, was not pretended to have been guilty of any breach of this provision.

Notwithstanding this, it would seem from your communications that the United States, though intimately connected with the Bank, by having conferred the great privileges in its charter, by still using it daily as a fiscal agent for certain purposes, and by being entitled to a supervision of its concerns through Congress, has suddenly, without previous notice, and only by an implied or constructive power, not in the opinion of this department warranted or necessary, and for the purpose of satisfying a controverted claim, the law and equity of which were many months since denied by the Executive, and have never been sanctioned by either of the other branches of Government established by the constitution.

In this condition of the subject, since the Bank did not deem it proper to present to Congress, the customary tribunal for settling such disputed demands against the United States, or, during its late session, to apprize either that body or this office of the extraordinary course intended to be pursued in thus seizing upon a large portion of the public dividends while already in possession of more than a million of dollars belonging to the Government, but hitherto uncalled for by its creditors or the Treasury, this department does not consider that it has yet enjoyed a suitable opportunity, in relation to so unexpected a measure, to know the views or procure the desirable action of Congress; and, therefore, does not feel justified in making, at this time, any arrangement with the Bank, or any "suggestions" in respect to legal prosecutions; nor in recognising, in any mode, "the justice or propriety" of the proceedings the Bank has been pleased to adopt.

But it will endeavor, on the whole subject, to present an early report to Congress at its next session, and to the President of the United States. In the mean time, if the Bank desires, before a report is prepared, that the facts and reasons in detail on which its decisions, and especially its claim for damages on the bill of exchange, are founded, should be examined by this department, the statement of them, whenever forwarded, will receive a respectful consideration.

I have the honor to, be yours,

LEVI WOODBURY,
Secretary of the Treasury.

N. BIDDLE, Esq
President U. States Bank, Philadelphia.

B. 2.

Letter of the Attorney General requesting it, and the opinion of the Honorable R. B. Taney, upon the claim for damages by the Bank on account of the protest of the French bill of exchange.

ATTORNEY GENERAL'S OFFICE,

October 21, 1834.

SIR: I have recently received a letter from the Secretary of the Treasury, in which he requests me, among other things, to furnish him with a copy of the reasons, supposed by him to have been placed on file in this office by yourself, in support of the opinion given by you as Attorney General of the United States, on the claim preferred in May, 1833, by the Bank of the United States, for fifteen per cent. damages on the bill of exchange drawn by the Secretary of the Treasury on the French Government. As I do not find any such paper on the files of this office, may I ask you to transmit me a copy thereof, if such a document has been prepared by you, and, if not, that you will state the grounds of your opinion in such form as to enable me to comply with the request of the Secretary of the Treasury.

I have the honor to be,

With great respect,

Your obedient servant,

B. F. BUTLER.

To the Hon. ROGER B. TANEY, *Baltimore.*

WASHINGTON, November 25, 1834.

SIR: I proceed, according to your request, to state the grounds on which I came to the conclusion that the Bank of the United States was not entitled to the fifteen per cent. damages, which it demanded on the protest of the bill drawn by the Secretary of the Treasury, for the first instalment due under the convention with France.

The facts in the case are briefly these: By the terms of the convention, the money was to be paid at Paris, into the hand of such person or persons as should be authorized by the Government of the United States to receive it. And by the act of Congress of July 13th, 1832, it was made the duty of the Secretary of the Treasury to cause the several instalments, with interest thereon, to be received from the French Government, and transferred to the United States, in such manner as he might deem best; the nett proceeds thereof to be paid into the Treasury.

In execution of this act of Congress, the Secretary of the Treasury drew a bill of exchange on the French Government, payable to the cashier of the Bank, or to his order, for the first instalment due by the treaty, for which the Bank agreed to pay a stipulated sum. But as this bill from the Treasury Department was not such an instrument as would, under the treaty, authorize the Bank or the holder to demand payment, another instrument was executed, in proper form, under the signature of the President, and duly authenticated from the State Department, whereby the cashier of the Bank, and his assignee of the bill, was authorized to demand and receive the amount due for the said instalment, and to give an acquittance to the French Government. This paper was delivered, together with the bill of exchange, to the Bank, and was passed with it to the endorsee, for the purpose of conferring on the holder of the bill the character and authority that would entitle him to demand the money, according to the stipulations in the treaty. When the papers were presented to the French Government, and payment demanded, it was refused, because no appropriation had been made by the Chambers. The bill of exchange was, thereupon, protested, and paid *supra protest*, by Hottinguer & Co., of Paris, for the honor of the Bank.

My impression is, that it appeared from the papers communicated by the Bank to the Treasury Department, that the bill in question was paid by Hottinguer, & Co. out of the funds of the Bank then in their hands. I do not, however, find such a statement among the papers now submitted to me. Nor does it materially vary the case: for it is not suggested by the Bank that it is liable to Hottinguer & Co. for the damages it has claimed of the United States.

At the time the Secretary of the Treasury made the arrangement with the Bank above stated, and delivered to it the bill of exchange, and the authority from the President, and for a long time before and after, and up to the time when these damages were demanded, the Bank had on deposit, in the mother Bank and its various branches, a very large amount of public money, far exceeding the sum which the Bank was to pay. And, upon the delivery of these papers, the sum which the Bank had agreed to pay to the Government was transferred on the books of the Bank to the credit of the Treasurer of the United States. But it was never brought into the Treasury by a warrant from the department, nor was any part of it ever withdrawn from the Bank or used by the Government. It remained in possession of the Bank

until notice was received of the non-payment of the instalment by the French Government, and was then retransferred to the Bank, by the direction of the Secretary of the Treasury. It is not alleged that the Bank sustained any damage or inconvenience whatever, beyond the mere cost of the transaction.

The money which France agreed to pay was due to individual citizens of the United States for injuries which they had suffered from the French Government. It was to be paid to the United States, as trustee for them. And the object of the act of Congress, hereinbefore referred to, was to enable the Secretary of the Treasury to transfer the money to this country in such a manner as would, in his judgment, render the fund most productive to the parties entitled. The nett proceeds of the indemnity stipulated by the treaty, after deducting the costs and expenses of transmitting it to the United States, is all that the parties are entitled to demand from the Government; and if the damages insisted on by the Bank are allowed, it will diminish the sum to be distributed \$158,842 77, and lessen, by that large amount, the compensation to be received by the individuals who have suffered from the wrongs of the French Government. In the arrangement made with the Bank, the Secretary of the Treasury deals with a fiscal agent of the Government; and that agent must have perfectly understood that the United States were acting merely in the character of trustees, for the benefit of others; and that, in the shape which was given to the transaction with the Bank, the Secretary of the Treasury intended to obtain the remittance of the funds in a manner that would render them most productive to the persons entitled.

This summary of the facts renders it sufficiently evident that the claim of the Bank to fifteen per cent. damages cannot be supported upon any principle of moral justice, among the parties concerned; as the Bank does not allege that it sustained any damage or inconvenience from the non-payment of the money by the French Government, it would be manifestly unjust to extort these heavy damages from the individual citizens, who would have to bear the penalty it demands, and whose actual losses will not be compensated if the entire sum is paid according to the treaty.

It would be still more unjust to exact such damages from the United States, as they acted in this business merely in the character of trustees, and adopted, in good faith, the mode of remittance which was believed to be most for the interest of the persons interested in the fund. Where no loss has been sustained by the agent with whom the Government dealt, it is obvious there can be no claim for damages, upon principles of justice, either against the individual claimants or against the Government. And if the Bank can make good its right to the damages, the claim must depend for support on some principle of mere technical law, and not upon its equity and justice.

In my opinion, there is no principle, even of mere technical law, upon which the claim to the damages can be sustained.

If the bill of exchange drawn by the Secretary of the Treasury had been an ordinary commercial transaction between individuals, the protest for non-payment would not, according to the *general usages* of trade, have given the Bank a right to demand these damages: for, by the general law merchant, the holder of a protested foreign bill of exchange is entitled to indemnity, and nothing more. He is entitled to a just com-

compensation for the injury he may sustain; and this compensation, according to the general law of commerce, consists of so much as will purchase a good bill of exchange for the same amount, together with interest on the amount of the bill, and the costs and expenses to which the protest subjected him. But he has no right to damages of fifteen per cent., or for any particular amount, by way of penalty on the drawer. I speak now of the principles upon which the general law merchant measures the compensation to a holder of a foreign bill of exchange, when dealing with the subject upon general principles of justice between the parties. But, in many places, damages are given by local usages, or the statutes of the particular States or nations, and vary in amount in different places; and, in such instances, they are not intended to be given as a compensation for the loss actually sustained, but are allowed upon principles of commercial policy, and as a penalty on the drawer for selling a foreign bill of exchange, without having funds provided to meet it.

In Maryland, for example, damages are given by express statute; and by an act of Assembly passed in 1785, and which is still in force in that State, it is enacted, "that upon all bills of exchange hereafter drawn in this State on any person or corporation, company or society, in any foreign country, and regularly protested, the owner or holder of such bill, or the person or persons, company, society or corporation, entitled to the same, shall have a right to receive and recover so much current money as will purchase a good bill of exchange, of the same time of payment, and upon the same place, at the current exchange of such bills, and also fifteen per cent. damages upon the value of the principal sum mentioned in such bill, and cost of protest, together with legal interest upon the value of the principal sum mentioned in such bill, from the time of protest, until the principal and damages are paid and satisfied."

The transaction between the Secretary of the Treasury, and the Bank, having taken place at Washington, in that part of the District of Columbia which formerly belonged to Maryland, it would, as Congress have not legislated on the subject, be governed by the laws of Maryland in force at the time when jurisdiction was assumed by the General Government.

It is under this act of Assembly, I presume that these damages are claimed, and the right to them, if it exists at all, must be deduced from the provisions of this law, and cannot be claimed independently of it. And in order to support the demand made by the Bank, it must be shown that this statute embraced bills of exchange drawn by the State of Maryland itself. Because the United States, standing now in the same relation to that portion of the District that the State held before jurisdiction was assumed over it by the General Government, the statute in question cannot bear on the rights of the United States, further than it operated on the State of Maryland in like cases.

It is quite clear that this act of Assembly did not embrace bills of exchange drawn by the State itself. I consider it to be an established principle of law in Maryland, that the State is not included in the general provisions of a law, unless it is expressly named, or the language of the statute, and the nature of the provisions, imply that it was intended to operate on the rights of the State, as well as of individuals.

The State is not named in the statute above quoted, nor can its words,

by any fair interpretation, be construed to embrace it. The object of the law is too obvious to be misunderstood. It was designed to prevent individuals, or companies, from selling bills payable in foreign places when they had no funds to meet them. And the fifteen per cent. damages is given, in addition to the actual damages which the holder would sustain, in order to deter individuals from practising imposition upon others, by professing to have funds in places where in truth they have none, and thereby inducing the honest trader to purchase from them, and by that means subjecting him to inconvenient and inevitable disappointment in his commercial arrangements. It is impossible to suppose that the Legislature imagined that such a provision was necessary to guard individuals against such impositions on the part of the State. It could not be supposed that a bill of exchange would be drawn by the sovereignty, unless it was believed that funds were provided to meet it. And it cannot be imagined that, if the party on whom it was drawn should fail in his duty, and refuse the payment, the State would inflict a penalty of fifteen per cent. on itself, when it had been in no fault, and committed no injustice. In such a case, it would doubtless be right to settle the claim upon principles of justice, and to give to the party a liberal indemnity for any loss he might really sustain. But the State could hardly intend to inflict upon itself a penalty beyond what the principles of justice and the general usages of trade would give in the case of an individual. It is impossible, therefore, to suppose that it was the intention of the Legislature to embrace in this law bills of exchange drawn by the State. And as the State of Maryland would not, under this act of Assembly, have been chargeable with the fifteen per cent. damages, the penalty cannot, by force of its provisions, be claimed against the United States.

But the subject-matter of the transaction out of which this controversy has arisen, is not one contemplated by the act of Assembly, and was never designed to be embraced by its provisions. The law intended to give the damages specified, where instruments known in the general usages of trade, as foreign bills of exchange, were regularly protested. In cases of that description, the sale of the bill itself constitutes the whole transaction between the drawer and the party to whom it is transferred; the purchaser is not bound to inquire, and is not presumed to know how funds are to be provided in the hands of the drawee to pay it. The drawing of the bill is equivalent to an assurance that it will be duly accepted and paid, and the purchaser relies upon this assurance. The instrument itself confirms the right to receive the money, and constitutes the only evidence of the right; and it does not require the aid of any other writing to support its authority.

It is an abuse of terms to treat the bill drawn by the Secretary of the Treasury, in favor of the Bank of the United States, on the French Government, as an ordinary mercantile transaction, and liable to be governed by the same rules. This bill of exchange, standing by itself, gave no right to demand the money from the party on whom it was drawn. The endorsement of the bill, of itself, transferred no right to the holder; the entire authority was given by the instrument, signed by the President, and attested at the State Department, which authorized the French Government to pay the money to the cashier of the Bank of the United States, or to his assignee of the bill. The bill of exchange not being

such an instrument as the treaty contemplated, it would have been inoperative and without value, unless accompanied by this authority. It was in shape, indeed, like the mercantile instrument known as a bill of exchange, but it wanted the most essential quality of that instrument. It cannot, therefore, be justly or legally regarded as subjecting the parties to it to all the liabilities and undertakings implied in the ordinary concerns of commerce; nor can it be considered as embraced by a statutory provision, which was obviously designed to provide for instruments which belong to the ordinary usages of trade, and which have the incidents and qualities the law annexes to such contracts.

The real authority to the Bank was the instrument of writing above mentioned, signed by the President. This paper was executed, in manner and form, according to the usages of nations; and the French Government were bound to recognise its authority, and to pay the money to the person thereby designated. And from the nature of the transaction, the Bank must have perfectly understood that this instrument, and not the bill of exchange, constituted the real power to receive the money. The paper from the Department of State, being delivered to the Bank at the same time with the bill, explained the whole transaction, even if it had not before been well understood. And there is no pretence, therefore, for treating this controversy as if it were simply the affair of a commercial instrument, and liable to all its incidents and implied undertakings.

The bill of exchange was superadded, I presume, to the regular authority required by the treaty, for the convenience of the Bank in transmitting the funds to this country; and it certainly was not expected that an instrument not necessary to the transaction, and which conferred no right, would subject the United States to the payment of fifteen per cent. damages, upon the failure of the French Government to meet its engagements.

Whatever damages were actually sustained by the Bank, the Government ought, no doubt, to repair, and are ready and willing to make good. But there is, in my judgment, no foundation in justice or in law for the penalty of fifteen per cent. claimed by the Bank.

The papers relating to this transaction being in Washington, it was out of my power to reply to your note until I could come here to examine them; and having been necessarily detained in Baltimore since you called on me for this opinion, I must beg you to excuse the unavoidable delay in transmitting it to your office.

I have the honor to be, sir,

Very respectfully,

Your obedient servant,

R. B. TANEY.

The Hon. B. F. BUTLER,

Attorney General U. S., Washington.

B 3.

Opinion of the Attorney General of the United States on the seizure of the dividends on the Government stock of the United States in the Bank of the United States.

ATTORNEY GENERAL'S OFFICE.

November 28, 1834.

SIR : I have examined the correspondence and other documents transmitted to me with your communication of the 17th ultimo, and, in compliance with your request, will now proceed to state my opinion "as to the validity of the course pursued by the Bank of the United States" in withholding a portion of the dividends payable in the month of July last, upon the stock of that institution owned by the United States, and in applying the same in satisfaction of a claim for damages, at the rate of 15 per cent., and for costs and interest upon the bill drawn in February, 1833, on the French Government, which claim had been previously disallowed by the Treasury Department, and had not been provided for, or in any other manner sanctioned or admitted, by any act of Congress.

In the letter of the President of the Bank, addressed to yourself, and dated the 8th of July last, he states that he is instructed to say, that this course has been adopted by the Board of Directors, "not merely from a conviction of its obvious justice and propriety, but because it furnishes the best, if not the only mode, of obtaining a judicial decision on the case, by the proper tribunals." He also suggests, that "to procure such a decision, the board will give every facility in their power; and that if there is any other mode of submitting the rights of the respective parties to the judicial tribunals more acceptable to you, any suggestion for that purpose will receive a prompt and respectful consideration."

The vindication of the Bank, in withholding the money in question, is thus, as I understand it, placed by its president on the double ground, *first*, that the course itself is a just and proper one; and, *secondly*, that whether this particular step be a proper one or not, the original claim of the Bank to damages ought to be decided by the *judicial tribunals*, whose action is to be had upon the subject, by compelling the United States to *sue* for the moneys now retained, when the opposing claim of the Bank will be presented for trial and decision, by way of set off.

I. I am not aware that any case can exist, in a country acknowledging a Government of laws, in which it can be *obviously just and proper* for a party, claiming to be the creditor of another, to retain the money or other property of the latter, without his consent and against his will, except where the law gives such creditor the benefit of a *lien*; in which case he is permitted to appropriate the debtor's money to the payment of the debt, and to detain his other property, until such debt shall be satisfied. Such a right, it is presumed, is intended to be asserted and relied on, in support of the course adopted by the Bank; and the first point to be examined, therefore, is, whether that corporation has a lien for the claim, and on the moneys in question?

It is proper, at the outset of this inquiry, to recur to the charter of the Bank, for the purpose of ascertaining whether any such right can be derived from its provisions; it being a familiar rule in the law of corporations, that those bodies have no other powers than such as are either ex-

pressly granted, or necessarily implied, in the act creating them. The thirteenth article of the constitution of the corporation is the only part of the charter which expressly authorizes the Bank to withhold the dividends of a stockholder; and the authority there given is confined to the case of "a failure in the payment of any part of any sum subscribed to the capital of the said Bank, by any person, copartnership, or body politic;" in which event it is declared, that the party failing "shall lose the benefit of any *dividend* which may have accrued prior to the time for making such payment, and during the delay of the same." Whether this corporation would have had a lien on the dividends, in the particular case thus provided for, if the charter had been silent on the subject, it is not now material to inquire, because the provision above quoted is confined to delinquencies "*by any person, copartnership, or body politic,*" and was evidently so penned for the purpose of excluding the United States from its purview; and also because the demand for which the lien is now claimed is not for a failure of the payment of subscription moneys.

Nor do I think it very material to inquire whether, since Congress have expressly authorized the Bank to withhold the dividends of a stockholder in one case, and in one case only, the right to do so is to be denied in every other case; although there is certainly some ground for such an argument. On the contrary, I shall concede, for the purpose of this opinion, that as between itself and its ordinary stockholders and dealers, this corporation is entitled to the same liens and other legal advantages, in respect to debts and damages claimed by it, as private bankers or the State banks.

By the law of lien, as it exists in England and the United States, private bankers have a general lien on all moneys and securities deposited with them, for the balances of accounts and other actual debts, and for acceptances and other engagements, made in consideration of such deposits. The State banks, and other moneyed corporations in this country, are undoubtedly entitled to the like general lien; and it is usually understood to extend, in respect to debts actually due, to dividends on their stock. Such, at least, appears to be the law in New York and Massachusetts; in each of which States, it has been decided by the State courts that dividends on stock might, without any express provision in the charter, or any specific by-law on the subject, be applied by the company declaring them to the discharge of debts *actually due* from the stockholder. (*Bates vs. New York Insurance Company*, 3 Johns. cas. 238;) and *Sargent vs. Franklin Insurance Company*, 8 Pickering, 90. The bill on the French Government having been drawn in that part of the District of Columbia in which the law of Maryland prevails, must be decided, so far as it may depend on the local laws, by the law of that State; but the question whether the Bank, supposing its claim to be a valid one, could rightfully adopt, for the satisfaction of that claim, the course it has pursued, must depend, as to local laws, on the law of Pennsylvania, in which latter State this part of the case has exclusively arisen, and in which the trial, provided a suit shall be commenced, will be had. In this State, from the careful manner in which the right to withhold the dividends of stockholders indebted to banks has been given to those institutions by the general statutes on the subject, it would seem to have been thought necessary that the right to retain *dividends* in sa-

tisfaction of debts due to a corporation from its stockholders should be expressly conferred by the legislative authority.

But whatever may be the rights of the Bank of the United States, in respect to the dividends of ordinary stockholders actually indebted to the corporation, the present case is distinguished by circumstances fatal to the supposed lien.

The stockholder whose dividends have been withheld is not an ordinary corporation; the corporation itself, considered in reference to that stockholder, is not an ordinary corporation; and the act in question is not to be decided by the rules which would govern in ordinary cases. The chief object of Congress in incorporating the Bank of the United States, so far as their design can be ascertained from their debates and other proceedings, was to create an instrument or agent to be employed in the collection and disbursement of the public revenue, and in the other fiscal operations of the Government. And in all the legislative discussions, which, from 1791 to the present day, have been had upon this subject, as well as in the decision of the Supreme Court in the case of *McCulloch vs. the State of Maryland*, (4 Wheaton, 316,) the powers of raising, collecting, and disbursing the public revenue, of borrowing money on the credit of the United States, and of paying the public debt, have been principally relied on, as those which were supposed more clearly than any others to include the implied power to incorporate a National Bank. This corporation, then, considered in its relation to the United States, is emphatically their agent; and the public money invested in its stock must be deemed to have been so invested, for the double purpose of rendering the agent more efficient and useful, and of securing to the Government a revenue therefrom. If this view be correct, it is impossible that the Bank can be entitled to a lien as against the United States, either in respect to the Government stock, or to the dividends accruing thereon, or to any other public moneys which may come to its possession. All liens are founded on the legal relation of the parties, on agreement, either express or implied, or on the usage of trade; and a lien is never permitted where it would be inconsistent with the legal relations, or would violate the agreement or understanding of the parties. And surely nothing can be plainer than that the United States, in creating this fiscal agent, for the express purpose, among other things, of more effectually collecting and bringing into the Treasury the moneys of the nation, could never have intended that the agent should have the power of detaining those moneys, and thus defeating one of the leading motives which led to its creation. This objection might be enforced, but I do not know that it could be made more intelligible, by any additional remark; and to my own mind, its distinct and perspicuous announcement is all that seems necessary to secure to it a general assent.

But without reference to the nature of the corporation, there is that in the character of the corporator whose dividends are withheld which exempts them from the lien now asserted. The United States, in becoming a stockholder in the Bank, have not parted with the character and immunities which belong to the sovereign power, except so far as the same are expressly relinquished. And as no express authority has been given to the Bank to withhold, in any case, the dividends accruing on the public stock, its right to appropriate such dividends to its own use,

under the notion of *lien*, or of any other legal privilege, must stand upon the same ground as that of any other natural or artificial person owing allegiance to the Government.

It is a fundamental principle of public law, one, indeed, which results from the very nature of sovereignty, that the sovereign power—no matter in whom it may reside—is not liable to be sued in the judicial tribunals by its creditors or others, except in those cases where, by the civil polity of the nation, provision is expressly made for this mode of obtaining justice. In the United States no such provision exists in respect to claims for any debt or damages alleged to be due from the Government; no suit could be maintained by the Bank against the United States, for the recovery of the damages in question. Its only direct remedy is by an appeal to Congress, who, under our constitution, have the exclusive control of the public moneys.

As a general rule, a lien can only exist in those cases in which a suit at law might be prosecuted by the party asserting the lien against the owner of the money or other property detained. And as the United States cannot be sued for debts or damages incurred by them, it follows that no lien for any such debt or damages can exist on their money or other property.

On this point I refer to the case of the *United States vs. Barney*, (3 Hall's American Law journal, 128,) before Judge Winchester, in the United States District Court for the Maryland district, in 1809. The indictment charged the defendant with having wilfully obstructed the passage of the public mail. The defendant set up in his defence, that he had fed the horses employed in carrying the mail for a considerable time, and that a sum of money was due to him for food furnished before the time of their detention, a case which, as between individuals only, would clearly at common law, have entitled the party to a special lien. It was decided that the defendant was not justified, on the principle of the common law, in stopping the mail; for as the Government could not be sued, no lien could exist.

In the course of his opinion, Judge Winchester states, as the ground of his decision, that "no other remedy exists for a creditor of the Government, than an application to Congress for payment. A lien cannot be permitted to exist against the Government, for liens are only known or admitted in cases where the relation of debtor and creditor exists, so as to maintain a suit for the debt, or duty which gives rise to the lien, in case the pledge be destroyed, or the possession thereof lost; as in the case of a carrier of the mail, he cannot sue for the hire, nor retain the mail, because he cannot sue; yet a carrier of private property may sue or retain, because Government is not answerable. Justice is the same, whether due from one to a million, or a million to one man; but the modes of obtaining that justice must vary. An individual may sue and be sued. The United States cannot be sued. Suability is incompatible with the idea of sovereign power. The adversary proceedings of a court of judicature can never be admitted against an independent Government, or the public stock or property. The ties of faith, public character, and constitutional duty, are the sure pledges of public integrity; and to them the public creditors must, and, I trust with confidence, may look for justice. *They must not measure it out for themselves.*" The same

general principles are also recognised in the cases of *The Commonwealth vs. Mattack*, (4 Dallas, 303,) and the *United States vs. Wells*, (2 Wash. C. C. R. 161,) to which I shall hereafter have occasion to refer for another purpose.

This doctrine is peculiarly applicable to the present case. From the 17th of July, 1834, when the last semi-annual dividend became payable, the Bank must be deemed to have been in the possession of so much money belonging to the Government, and as holding it in the same manner, and subject to the same obligations and liabilities, as any other receiver or depository of public moneys. It may not have passed the amount, in its books, to the credit of the Treasurer of the United States; but its own omission to do an act merely formal cannot alter the substance of the transaction, nor impair the rights of the Government. Though not technically brought into the Treasury, this money was not the less a part of the public treasure, and, as such, it must be protected from lawless misapplication.

The constitutional provision that "no money shall be drawn from the *Treasury*, except in consequence of appropriations made by law," was undoubtedly intended to secure to the National Legislature the exclusive power of deciding how and when the public money shall be applied to the discharge of the expenses, debts, or other engagements or liabilities of the Government. But this provision would be liable to be evaded and defeated, if the public money, whilst in the hands of receivers and depositaries, were not exempt from the claims, pretended or real, of those agents. To apply any portion of the public money to the satisfaction of a claim against the Government, not sanctioned by any act of Congress, must be equally a violation of the spirit and intent of the constitution, whether the money has been formally brought into the Treasury, or whether it be lying in the hands of a depository. To give full effect to its provisions, the law of lien, and every other legal rule existing between individuals, which, in its practical operation, would produce such a result, must give way to the paramount efficiency and importance of the supreme law.

But, independently of any constitutional provision, the result would be the same. Once establish the fact, that the money in question is the money of the nation, and its exemption from ordinary liens must necessarily follow. This exemption is not merely a prerogative; it flows from the nature and necessities of Government, and is essential to the full attainment of the benefits intended to be secured by it. And there is even more necessity for extending it to moneys in the hands of collectors and depositaries which have not reached the public Treasury, than to those which, having been received into the Treasury, are afterwards drawn from it, and intrusted to disbursing agents for the purpose of expenditure. It is, for the most part, on means of the former description that the public estimates are founded, and the legal appropriations made; and all the fiscal arrangements of the nation would be liable to be defeated, if the agents employed to collect the public revenue were allowed to withhold it from the Treasury, under the pretext of satisfying their own claims on the honor or justice of the nation. In the very case now before me, the dividends in question were a part of the ways and means enumerated in the estimates duly submitted to Congress for the present year, and were undoubtedly

taken into account by that body, in the appropriations made by them ; and though the amount of public money now detained was not large enough to produce any very serious embarrassment, yet I perceive, in the correspondence submitted to me, an explicit declaration by the President of the Bank that the corporation has another claim against the Government for compensation and indemnity, which is “ reserved in full force, to be asserted at such time, and in such manner, as may hereafter be deemed expedient,” and under which it is possible that other moneys, and perhaps even the large amount of stock belonging to the Government, may hereafter be withheld. Indeed, it is obvious that if the course now adopted be warranted by law, it may, with equal propriety, be pursued by the Bank in respect to the claim it has reserved ; and that all other receivers and depositaries of public moneys, or other property, will be equally at liberty, in like cases, to imitate the example. The principle, if sound, would also have included the disbursing agents ; but, fortunately for this branch of the public service, Congress, by the second section of the act of the 31st of January, 1823, concerning the disbursement of public money, have expressly enacted, “ that every officer or agent of the United States, who shall receive public money *which he is not authorized to retain as salary, pay, or emolument*, shall render his accounts quarter-yearly to the proper accounting officers of the Treasury, with the vouchers necessary to the correct and prompt settlement thereof, within three months if resident in the United States, and within six if resident abroad ;” thus, by necessary implication, excluding all pretence for retaining the public money for any outstanding demand, however equitable or valid. And, by the third section of the same act, it is further provided, that every disbursing officer or agent, violating this enactment, shall be forthwith reported to the President, and *promptly dismissed* from the public service, unless he shall satisfactorily account for his default. The first section of the act of the 2d of March, 1809, amending the several acts for the establishment and regulation of the Treasury, War, and Navy Departments, also provides that all such officers “ shall render distinct accounts of the application of the public moneys, according to the appropriation under which the same shall have been drawn ; and that the sums appropriated for each branch of expenditure *shall be solely applied to the objects for which they were respectively appropriated, and to no other.*” An enactment which plainly makes it unlawful for the persons embraced within its purview to appropriate the public money to the discharge of their own claims, unless a distinct appropriation for that purpose shall have been made by law. Other provisions of the like nature might be referred to, but I will only mention, in addition, the prohibition contained in the act of the 25th of January, 1828, “ to prevent defalcations on the part of the disbursing agents of the Government, and for other purposes,” against paying to any person who is in arrears to the United States any money for his compensation, “ until such person shall have accounted for, and paid into the Treasury, all sums for which he may be liable.” These various statutory provisions are in affirmance of the preceding views ; and they show, very clearly, that Congress deem the unauthorized detention of the public moneys, by the disbursing agents, an offence so aggravated in its character, and so dangerous in its tendency, as to justify very severe and summary proceedings. And if they have not guarded the public treasure, whilst in the hands of its original receivers and depositaries, with equal efficiency of regulation, the

omission is doubtless to be ascribed to the belief that no one of those agents, however faithless in other respects, would attempt to sequester or detain it, under the pretext of satisfying a claim never presented to Congress, nor recognised as valid by any department or officer of the Government; and to the fact that, until the occurrence of the present case, no such attempt has ever been made, or, if made, brought to the notice of the Legislature. But if the measure now under review shall be ultimately sanctioned by the judicial tribunals, this omission of statutory provision will no longer be safe. The whole revenue of the country will be exposed to such hazards, as to call for the prompt exertion of the legislative power. There are, however, various legislative provisions now in force, in regard to the collectors of the customs and receivers of moneys on the sale of public lands, which plainly imply that they have no authority to withhold from the Treasury the moneys collected by them, except so far as expressly authorized by act of Congress. And the act of the 15th of May, 1820, providing for the better organization of the Treasury Department, provides "that if any collector of the revenue, receiver of public money, or other officer, who shall have received the public money before it is paid into the Treasury of the United States, shall fail to render his account, or pay over the same in the manner, or within the time required by law, it shall be the duty of the First Comptroller of the Treasury to cause to be stated the account of such collector, receiver of public money, or other officer, exhibiting truly the amount due to the United States, and to certify the same to the agent of the Treasury, who is authorized and required to issue a warrant of distress against such delinquent officer and his sureties. The act then proceeds to prescribe the course to be pursued on the warrant by sale of the goods and chattels and lands of the delinquent and his sureties, and, in a certain event, by committing the delinquent to prison. This enactment is also, by the third section of the act, extended to disbursing officers; and although provision is made for enabling any person who conceives himself aggrieved by the issuing of any such warrant, to obtain an injunction from a district judge upon a bill in equity, "setting forth the nature and extent of the injury of which he complains," yet no authority is given to the judge to allow any other deductions than those to which the complainant shall be found to be equitably entitled, under some legislative provision. This act, and all the other acts of Congress on the subject of the collection and safe keeping of the public revenue, seem to me to have been framed upon principles directly the reverse of those involved in the recent measure of the Bank of the United States.

It would be easy to extend this topic by other pertinent remarks, but the utter incompatibility of a right in the public agent to appropriate to his own use, under any pretext, public property committed to his care, with the first principles of civil government and official duty, is too apparent to need further observation.

But independently of the weighty considerations above stated, there are other objections to the existence of a lien in the present case, which, though not equally important, are not less decisive.

A factor, agent, or other person, to whose hands money or other property is entrusted, upon a *special agreement* that the same is to be paid or delivered in a particular manner, or under an implied understanding to that effect, is not usually entitled to a general lien, even for debts *subsequently* contracted, and is never allowed to assert such a lien in re-

spect to *antecedent* demands. The reason is, because it would be a departure from the obligations, express or tacit, as the case may be, of the contract, and would operate as a fraud on the owner of the property. Considering the peculiar relations of the Bank to the Government, and I think it must be generally conceded that the stock of the United States was originally invested, and has since been left in the Bank, under the full understanding, on both sides, that the dividends accruing on it would be punctually, and without deduction or charge, paid into the Treasury, the rule now referred to, is, therefore, fairly applicable.

Again: Where a person acting as trustee or agent for another, fairly discloses the name of his principal, and the authority under which he acts, and where, by virtue of a contract made under these circumstances, within the scope of his authority, a debt or duty to a third person is incurred, the creditor is never permitted to assert a lien for such debt or duty on the property of the agent. In the whole transaction connected with the draft on the French Government, the United States acted as trustees and agents of the persons entitled to indemnity under the treaty, as was fully known to the Bank when it received the bill; and though it might with propriety rely on the ability and disposition of the United States, as the parties through whose hands the moneys to be paid under the treaty were ultimately to pass, to make provision, out of those moneys, for any just claim growing out of the transaction, yet it certainly had no right to rely, and it is to be presumed did not rely, on the dividends, or other funds exclusively belonging to the Government, for the satisfaction of any such claim. The principle now stated is, therefore, also applicable to the present case.

Once more: A general lien does not extend to unliquidated demands; and, according to the law of Pennsylvania, as will appear in the sequel of this opinion, a claim for damages on a protested bill of exchange is such a demand.

Other limitations of the law of lien, which forbid its application to the present case, might also be mentioned, but I deem it unnecessary to pursue the subject further.

II. I shall now proceed to examine the question whether, if a suit be brought by the United States, to recover the balance of the dividends withheld by the Bank, the claim of the latter can be presented for trial and decision, by way of *set-off* to the demand of the plaintiffs in such suit. The very announcement of a pretension to set off this claim, considering that its validity and justice have never been sanctioned by Congress, that no provision has been made by law for its discharge, and that it has always been a subject of controversy between the Bank and the Executive, is certainly sufficiently novel to excite surprise, and much too important not to demand the most serious consideration. It necessarily involves the assumption that, in the judgment of those who make this pretension, the judicial tribunals are the proper functionaries to decide upon the justice and validity of the claim against the Government, and, if that decision be favorable, to provide, through the medium of judicial forms, and without any aid from the legislative department, for its discharge. And this idea is, accordingly, quite prominent in the communication addressed to you on the 8th of July last by the president of the Bank.

To this suggestion I cannot assent. The particular claim of the Bank

is one of those demands which, had it even been allowed by the accounting officers when presented, could not have been paid out of the Treasury, because no legal appropriation had then, or has yet been made for it. In order to its direct payment, in the usual manner, out of the Treasury, it is indispensable, according to the injunctions of the constitution, that a law should first be passed, allowing a demand, and making provision for its payment. It follows, that any course of legal proceeding which shall have the effect to transfer from the Legislature to the Judiciary the authority to decide on this claim, and to apply the public money to its liquidation, without the sanction of a law previously passed, will plainly involve a palpable violation of the spirit, if not of the words of the constitution. Now, it is a familiar maxim of law, founded on common sense and natural justice, and, therefore, very generally applied, that a party shall never be allowed to do *indirectly* what the law will not permit him to do *directly*. And the remarks already made for the purpose of showing the incompatibility of a lien on the money or other property of the Government, within the meaning and object of the constitution, are equally applicable to this part of the case.

I am not aware of any case in which a credit or set-off has been allowed to a party sued by the United States, which was not covered by some special or general appropriation made by law; and it is very obvious that none can be allowed, except where such an appropriation has been made, without transferring from the legislative department, to whom it exclusively belongs, the control of the public purse, and the power of distributing its contents. In several recent cases, reported in 7th Peters, the Supreme Court have carried the right of set-off, in Government cases, to its utmost limits; but in all of them they proceeded on the ground that there were legal provisions which sanctioned the credits claimed, and which provided funds for their discharge, although in some of them the accounting officers required the special direction of the head of a department, before the claim could be allowed. And in one of those cases (*the United States vs. Macdaniel*, 7 Peters. 1) it is expressly admitted by Mr. Justice McLean, in delivering the opinion of the court, "that a claim which requires legislative sanction is not a proper offset, either before Treasury officers or the court."

It would seem to be unnecessary, after an admission from such a source, so explicit and decisive, to dwell longer on this point; but as I have come to the conclusion, upon a very full examination of this branch of the subject, that there are many other objections to a set-off in the present case, I shall proceed to state some of them at length. I think it the more necessary to do this, because I am satisfied that considerable misapprehension prevails in regard to the nature and extent of the right of set-off, in suits brought by the United States against persons indebted to them.

Set-off differs from a lien, inasmuch as the former belongs exclusively to the remedy, and is merely a right to insist, if the party thinks proper so to do, when sued by his creditor on a counter demand, which can only be enforced through the medium of judicial proceedings; whilst the latter is, in effect, a substitute for a suit. There is a natural equity that claims arising out of the same transaction should compensate each other, and that the balance only should be recovered. But this natural equity does not require or authorize a set-off of the Bank claim in the present case,

inasmuch as this claim is not for any debt or duty growing out of the acquisition, receipt, or possession of the Government dividends. If, therefore, there be a right to set off this claim in the present case, it is strictly a legal right, and must derive its warrant from positive rules of law.

We have no act of Congress defining the various cases in which off-sets may be allowed in actions pending in the courts of the United States, either between the Government and individuals, or between individuals alone. By the 34th section of the judicial act of 1789, it is provided "that the laws of the several States, except where the constitution, treaties, or statutes of the United States shall otherwise require or provide, shall be regarded as rules of decision in trials at common law in the courts of the United States, in cases where they apply." And, by the process acts of 1789, 1792, and 1828, the forms of process, and the forms and modes of proceeding in suits of common law, are to be the same as those used at certain periods specified in the acts in the supreme court of the State where the question arises, except where otherwise provided by act of Congress, or by rules of court. Under these statutory provisions, the law of the State in which the trial may be had, and the practice of the courts of such State, on the subject of set-offs, are, doubtless, to be regarded as furnishing rules of decision for the national courts, except where the constitution, treaties, or statutes of the United States otherwise provide or require.

And, with this qualification, the law of set-off of the several States must be deemed obligatory on the courts of the United States.

But, though Congress have not attempted to regulate this subject by any general rules, they have, by the 3d and 4th sections of the act "to provide for the settlement of accounts between the United States and receivers of the public moneys," passed on the 3d of March, 1797, imposed some restrictions on set-offs in suits against public debtors. The 3d section of this act provides, "that where suit shall be instituted against any person or persons indebted to the United States as aforesaid, it shall be the duty of the court where the same may be pending, to grant judgment at the return term, upon motion, unless the defendant shall, in open court, (the United States attorney being present,) make oath or affirmation that he is equitably entitled to credits which had been, previous to the commencement of the suit, submitted to the consideration of the accounting officers of the Treasury, and rejected; specifying each particular claim so rejected in the affidavit; and that he cannot then come safely to trial." The 4th section declares "that, in suits between the United States and individuals, no claim for a credit shall be admitted upon trial, but such as shall appear to have been presented to the accounting officers of the Treasury for their examination, and by them disallowed, in whole or in part, unless it shall be proved, to the satisfaction of the court, that the defendant is at the time of the trial in possession of vouchers not before in his power to procure, and that he was prevented from exhibiting a claim for such credit at the Treasury by absence from the United States, or some unavoidable accident." These are all the provisions on the subject of set-offs to be found in the acts of Congress; and these, it is very obvious, were intended not to enlarge, but to limit the right of set-off in suits between the Government and persons accountable for public moneys. They undoubtedly imply that defendants, in such suits, might,

in certain cases, be entitled to set off, against balances ascertained and certified by the accounting officers of the Treasury, claims for credits rejected by those officers. But they do not profess to define the nature of those credits, except that the section requiring the defendant to make oath that he is *equitably* entitled to the credits claimed by him, warrants the inference that claims of merely a technical legal character are not to be allowed as set-offs, but only such as are actually founded in equity and justice. In the present case the claim of the Bank has been presented to the accounting officers of the Treasury, though as no account existed to which it could be referred, nor any appropriation for its payment, nor any legislative sanction to justify its allowance, the application to the accounting officers was necessarily followed by its rejection. They could not have allowed it without a palpable breach of duty. For the present, however, it may be taken for granted, for the purposes of this part of the case, that if a suit be brought for the recovery of the dividends, the preliminary affidavit required by law will be seasonably filed. The formal requisites will therefore have been complied with; but the material question, whether the claim can be allowed as an offset, will still remain. Before this question can be decided in the affirmative, it must appear, *first*, that the claim of fifteen per cent. damages is valid and equitable; *secondly*, that, by the law and practice of Pennsylvania, in which State the trial must be had, claims of this nature may be set off; and, *thirdly*, that there is nothing in the constitution, treaties, or laws of the United States, to render the State law inapplicable. The first of these points has already been determined, so far as the Attorney General is competent to decide it, against the Bank, by the opinion of my immediate predecessor in office, as stated to the Treasury Department in his communication of the 24th of May, 1833. The reasons on which that opinion was founded, were not then explained; but you will find them fully stated in the accompanying correspondence between Mr. Taney and myself, which I have the honor, in compliance with your request, herewith to transmit to you. And although you have not requested my opinion on this point, yet, to prevent misapprehension, I think it proper to state my entire concurrence in the reasoning and conclusions contained in the letter of Mr. Taney. If these views are correct, it is obvious that the set-off must necessarily be rejected. But suppose the court before which the trial is had, should come to a different conclusion, and that the legality and justice of the claims should be satisfactorily established, will the law of Pennsylvania allow it to be set off? After a careful examination of the statutes and judicial decisions of that State, I have no hesitation in answering this question in the negative. The law of Pennsylvania on the subject of set-offs, like that of the other colonies, was originally the same with the English common law as it existed at the time of their settlement. At common law no deduction or set-off could be made from the plaintiff's demand for any debt, damages, or duty claimed by the defendant, unless the latter arose out of the same transaction or subject-matter with the former, and unless the opposing claims were thus directly connected with each other. Distinct and independent demands could only be sued for by the respective parties, in separate actions. This rule of the common law was afterwards varied, and the right of set-off extended, for the benefit of defendants, by statutes passed in the reign of George II.

In the mean time, however, several of the Colonial Legislatures, anticipating the parent country in the improvement of this branch of the law, and, among others, the Assembly of Pennsylvania, had, by their own acts, extended the law of set-off, discount, or defalcation, (for it is known by each of these names,) much further than it was subsequently carried by the English Parliament. The Colonial Act of Pennsylvania, passed in 1705, and yet in force, provides, that "if two or more dealing together be indebted to each other, upon bonds, bills, bargains, promises, accounts, or the like, and one of them commence an action in any court of this province, if the defendant cannot gainsay the deed, bargain, or assumption, upon which he is sued, it shall be lawful for such defendant to plead payment of all or part of the debt or sum demanded, and give any *bond, bill, receipt, account, or bargain*, in evidence." (Purdon's Digest, 177.) And provision is also made for such verdict, for the plaintiff, for part of his demand; or for the defendant generally; or for the defendant, certifying the amount overpaid, as the case may require.

The courts of Pennsylvania, in order to prevent circuity of action and needless expense, have given to this law a very liberal construction; but I find no adjudged case which would sanction, in a case like the present, the set-off of such a claim as the one now under consideration. On the contrary, several decisions are reported, which appear to me to be decisively against it.

1. The supreme court of Pennsylvania have decided in the case of *the Middleton and Harrisburg Turnpike Company vs. Watson's administratrix*, (1 Rawle, 330,) that an agent sued for moneys received by him for the use of his principal, cannot be allowed to set-off moneys expended by him in the payment of debts against his principal, without showing a special authority for that purpose. In delivering the opinion of the court, Judge Rogers holds the following language: "The defence is, that the money was expended by the agent in the purchase of debts of the company, and this, the administratrix contends, is a legal set-off against the demand of the plaintiffs. The relation of principal and agent is well settled: as long as the agent acts within the scope of his authority, and no longer, he is protected. It was the duty of Watson to collect and pay over the funds as they came to his hands. It was for the company to direct the application of the money, when in the treasury, or under their control, to the discharge of their debts, the repair of the road, or whatever purposes they might suppose most beneficial to the corporation. This they have been prevented from doing, by an assumption of power by their agent, and a misapplication of the funds of the company. If such a breach of trust should be permitted, it would, in practice, lead to great abuses, by introducing a scene of speculation and fraud the most disastrous, and of the most secret and dangerous nature." The soundness of these principles is too obvious to require comment. They are in unison with the enlightened morality of the civil law on the same subject. "There are some debts," says Pothier, (Treatise on Obligations, part 3d, ch. 4, of compensation, [or set-off,] § 1,) "against which the debtor cannot oppose a compensation."

"1st. In the case of spoliation, no compensation can be opposed against the demand for the restitution of the things of which any person has been plundered, according to the well known maxim, *spoliatus ante omnia restituentus*."

“2d. *A depository* is not admitted to oppose any compensation against a demand for the restitution of the deposite.”

The remarks made under the first head, upon the relations which exist between the Bank and the Government, and in respect to its character and responsibilities as a depository of public moneys, so far as respects the moneys in question, will be sufficient to show the application of these principles to the present case.

2. The courts of Pennsylvania have recognised the distinction above noticed, between the cases of individuals, and those between individuals and the Government; and, on the ground of this discrimination, have excluded, in Government cases, claims for set-off growing out of other independent transactions. In the *Commonwealth vs. Mattach*, (4 Dallas, 303,) the defendant, who had been clerk of the Senate, was sued for the recovery of moneys paid to him to defray the contingent expenses of that House. Upon the trial, the defendant proved that he had expended, for the use of the Senate, considerably more money than he had received; and he claimed a verdict for the amount of his advances, and also for a certain retrospective compensation to which he claimed to be entitled by virtue of an act of Assembly. But, after argument, the court declared “that the defendant could not indirectly recover from the State a substantive, independent claim, *by way of set-off*, any more than he could directly recover a debt due from the State, by bringing a suit against her. That the present action was brought to compel an account for money received for the use of the Senate; in which the defendant, if he proved that the money received was so applied, would be entitled to a verdict; but that even then he could not be entitled to a verdict *for the amount of his advances*, which the Senate alone was competent to allow.” Only a general verdict for the defendant was therefore recorded. The case of the *United States vs. Wells*, (2 Wash. C. C. R., 161,) recognises the same principles, and, from the nature of the case, as well as from the court in which it was decided, (the circuit court of the United States for the Pennsylvania circuit,) is peculiarly pertinent to the present discussion. The action was brought to recover a balance due from the defendant as a collector of the excise duties. He had been an active officer: in resisting the opposers of the excise law, in the western counties of Pennsylvania, and in consequence of his activity, his house had been burnt by the insurgents, and other injuries had been done to his property. By an act of Congress, passed 1795, upwards of eight thousand dollars was placed at the disposal of the President, to aid such of the officers of Government, and citizens, who had suffered losses in their property by the insurgents, as, in his opinion, stood in need of assistance. The President appointed commissioners to view and value these losses, who had reported that the defendant, amongst others, had suffered to a considerable amount. He received seven or eight hundred dollars; much less than the sum mentioned in the report. The subject of full compensation was afterwards brought before Congress, and a favorable report made by the Secretary of the Treasury, to whom the subject was referred, which was rejected by the Committee of Claims. The defendant, on the trial, claimed the difference between the estimated value of his losses and the sum received, to be considered by the court and jury, as so much paid by him to the United States, in part of what was demanded of him in the action. He also claimed to be entitled to the one-half of certain penalties incurred by persons against whom he had informed, but who

were released from those penalties by the general amnesty granted by the Government. Both points were decided against the defendant, and Judge Washington, in delivering the opinion of the court, held the following language: "Neither of these claims, on the part of the defendant, can be supported. The first is made upon the generosity of the Government, which might be very proper if presented to the legislative branch of the Government, in its real character of an imperfect obligation. *But the attempt to enforce it in a court of justice cannot possibly succeed.* It could not be countenanced, even against an individual. Let the defendant's counsel call it by what name they please, it is nothing more or less than to *offset a claim of damages* sustained by a public officer against the Government. An appeal has been made to the liberality, and we think the justice of the proper department, which did not succeed. It is impossible for us to assist the defendant."

He also remarked that "the claim of the penalties was quite as unfounded. At most it was only a claim for damages, which, being unliquidated, could not be offset."

3. The courts of Pennsylvania have also, in the construction of their statute, adopted the rule which, I believe, universally prevails where set-offs are allowed, of refusing to allow the set-off of debts not due to, and from, the respective parties, in the *same right* in which they sue or are sued. Thus, a person suing in his own right, for a debt exclusively due to himself, is not liable to have deducted from such debt a claim existing against him as a *trustee*, and for which he has not made himself personally responsible. The justice of this rule is too apparent to need remark, and the observations made under the former head, as to the fiduciary character sustained by the United States in the drawing of the French bill, and the obvious fact that, in a suit to be brought for the dividends, they would prosecute in their own right, and for a debt exclusively their own, will show the application of this rule to the present case.

4. Another limitation of the right of set-off, adopted by the courts in Pennsylvania, which also prevails in the other States and in England, is, that *unliquidated damages* cannot be the subject of set-off, unless they arise from a breach of the very contract on which the plaintiff sues, or are otherwise immediately connected with the cause of action. The case of the *United States vs. Wells*, above cited, is an authority for the general rule, and many other decisions to the like effect might be cited from the reports of the State courts. In the application of this rule, the very point under discussion has been considered and decided in a Pennsylvania case by the circuit court of the United States for the third circuit. I refer to the case of *Armstrong vs. Brown*, (1 Washington's Circuit Court Reports, 34,) in which it was ruled by Judges Washington and Peters "that the drawer of a bill which was protested, having paid twenty per cent. damages thereon, (the law of Pennsylvania allows twenty per cent. damages) cannot, in an action against him by the acceptor on another account, offset them against the acceptor, who had funds in his hands to have paid the bill, *because they are unliquidated damages.*" This decision was reiterated and followed in the same court in the case of *De Taslet vs. Crouslat*. (2v. 504.)

It seems, therefore, to be very plain, that if this case were to be exclusively decided by the law of Pennsylvania, that law, liberal as it is on this subject, would not allow the proposed set-off. But even if the law of Pennsylvania were otherwise, there are several statutory provisions of

the United States which forbid the set-off in question, and which must, of course, prevail. The statutory provisions particularly applicable to this subject, to which I now think it needful to refer, are the act of the 3d of March, 1795, "for the more effectual recovery of debts due from individuals to the United States;" the third and fourth sections of the act of the 3d of March, 1797, above quoted; and the first section of the act of the 3d of March, 1809, also above quoted. When the third and fourth sections of the act of 1797 are considered in connexion with their context, and with the act of the 3d of March, 1795, to which they are supplementary, I confess I do not perceive how it can be doubted that the credits spoken of in those sections are those credits, and those only, which are properly connected with, and applicable to, the subject-matter of the particular account, for the balance of which the suit is brought. The first section of the act of 1795 authorizes the Comptroller to issue a notification to any person who has received moneys for which he is accountable to the United States, requiring him to render to the Auditor of the Treasury, within a specified time, all his accounts and vouchers *for the expenditure of the said moneys*, in default whereof a suit is to be commenced. The second section prescribes the mode of serving the notification, and, when the accounts are duly rendered, directs the Auditors to proceed "to liquidate the *credits* to be passed for the said accounts, and to report the same to the Comptroller, with a particular list of any claims which shall have been disallowed by him." Provision is also made for a hearing before the Comptroller on the claims disallowed on the "suspended credits," upon formal notice to the claimant; and where this course of proceeding is pursued, the decision of the Comptroller, if against the claimant, is declared to be final and conclusive. The law of 1797 was apparently intended to authorize the accounting officers to dispense with the formal notifications required by the act of 1795, and has led to the practical abrogation of the former mode of proceeding; but whenever *credits* are spoken of in the act of 1797, that term, as I conceive, is used in the same sense as before. It is certain that the accounting officer cannot lawfully allow, in the settlement of any particular accounts, any credits not appertaining to such accounts; and there would seem to be no propriety in requiring, as an indispensable prerequisite to a credit on the trial, that the party shall have previously presented his claims to the accounting officers for their examination and decision, and shall have obtained such decision, unless the claims so to be presented were to be of such a nature, that the accounting officers, if satisfied as to their validity, might, under their general authority, or by the special direction of the head of the department, where such direction is required, lawfully settle and credit them to the party. In other words, the same limitation as to their general nature must be applied to credits claimed at the trial, which would have been applied to credits claimed before the accounting officers; the object being to enable the *judicial tribunals* to review the decisions of the accounting officers on claims *within* the jurisdiction of those officers, and to correct them if erroneous; and not to authorize those tribunals to make allowances for claims *without* such jurisdiction. Any other construction of these sections renders them not only quite unnecessary and useless, but repugnant to the laws and usages in force at the time of their enactment.

But if any room for doubt could exist as to the original construction of these sections, I think it must be removed by the first section of the act of the 2d of March, 1809, which expressly enacts, "that all warrants drawn by the Secretary of the Treasury on the Treasurer shall specify the *particular appropriations* to which the same are to be charged; and that the moneys paid by virtue of them shall be charged to such appropriation in the books kept in the Comptroller's office." The same section also provides that "the officers, agents, or other persons, receivers of public moneys, shall render *distinct accounts of the application of such moneys, according to the appropriation under which the same shall have been drawn*," "and that the sums appropriated by law for each branch of expenditure, in the several departments, *shall be solely applied to the objects for which they were respectively appropriated, and to no other*." In all cases, therefore, where the moneys sought to be recovered have been received from the *Treasury*, the credits to be allowed on the trial must be strictly confined to the same general subject with the cause of action; as, otherwise, the explicit injunctions of the law of 1809 will be evaded and defeated. For whenever, in the settlement of any given account, a credit is allowed, whether by the accounting officer, or through the medium of a set-off, for disbursements, services, or claims, which, though just in themselves, belong to another head of appropriation, it is plain that the provision just recited will be violated; and that the moneys appropriated to a particular object, so far from being "*solely applied* to that object, and *no other*," will have been appropriated to other purposes. If I am right in this view of the object and effect of the several statutory provisions to which I have now referred, it will follow, that to all the former objections there is also to be added, as resulting from these statutes, the decisive objection, that the claim for damages in the present case is not, within the meaning of the acts of Congress, a claim for any such *credit* as can be admitted on the trial, because it does not belong to the same general subject with the cause of action, but grows out of other and independent transactions.

I have been the more particular in stating the grounds of this objection, from an apprehension that some remarks of Mr. Justice Story, in delivering the opinion of the Supreme Court in the case of the *United States vs. Wilkins* (6 Wheaton, 135) might otherwise seem to warrant a contrary opinion. In that case the defendant, an army contractor, was to be paid for rations delivered under his contract, in certain cases, fourteen cents each; in certain other cases eighteen and a half cents each; and in another class of cases the price was to be subsequently agreed on. He received from the Treasury certain moneys, on account of this contract, under appropriations applicable to it. In the adjustment of his accounts, the accounting officers allowed him only the lowest contract price for considerable quantities of rations alleged by him to have been delivered at such places, and under such circumstances, as to entitle him, in some instances, to a higher price to be agreed on, and in other cases to the eighteen and a half cents; but his claims to these enhanced credits were rejected, and such deductions made in the price charged by him, as to reduce the rations to fourteen cents each. It was to recover the balance of public moneys, which, according to the account as thus settled, still remained in the defendant's hands, that the action was brought. The defendant, on the trial, produced the contract, toge-

ther with the proper evidences of the Treasury settlement, and undertook, by evidence and otherwise, to show that, under the contract, he was entitled to the prices charged by him, and that the deductions and disallowances were therefore improper and unjust. Among other questions certified by the court below, the fourth was as follows: "If the defendant be entitled to any of the above sums, can he be permitted to claim a verdict for them in this suit?" After observing that the answer to this question might materially depend on the true construction of the act of Congress of the 3d of March, 1797, Mr. Justice Story quotes the third and fourth sections of that act, and then makes the following observations: "The terms of these sections are very broad and comprehensive. The third section manifestly supposes that not merely legal, but equitable credits, ought to be allowed to debtors of the United States by the proper officers of the Treasury; and the fourth section prohibits no claims for any credits which have been disallowed at the Treasury, from being given in evidence by the defendant at the trial. There being no limitation as to the nature and origin of the claim for a credit which may be set up in the suit, we think it a reasonable construction of the act, that it intended to allow the defendant the full benefit, at the trial, of any credit, whether arising out of the particular transaction for which he was sued, or out of any distinct and independent transaction, which would constitute a legal or equitable set-off, in whole or in part, of the debt sued for by the United States. The object of the act seems to be to liquidate and adjust all accounts between the parties, and to require a judgment for such sum only as the defendant, in equity and justice, should be proved to owe to the United States. If this be the true construction of the act, which we do not doubt, the defendant might well claim a credit in this suit for the sums due him, even if they had grown out of distinct and independent transactions; for he is legally, as well as equitably, entitled to them. But, even if this construction of the act were doubtful, upon the facts of this particular case, as far as we can gather them, we should have probably come to the same result. This suit seems to have been brought by the United States for the money price of certain provisions received by the defendant under the articles of agreement. The real object of the suit is, therefore, to procure an account and settlement of that claim. It forms an item in the general account between the parties, like every other advance made by the Government to the defendant; and, independent of any statute provisions, the defendant would have a right to show that he had accounted for the value of such advance, by delivering the equivalent provisions for which it was originally made. In this view, also, the fourth question might be answered in the affirmative." This last position of the learned judge is certainly correct, and on this ground the decision was unquestionably right. The credits claimed grew out of the very subject-matter on which the suit was founded, and, had the accounting officers allowed them, would have gone to the same head of appropriation under which the moneys paid to the defendant had been drawn. And so, too, though credits rejected at the Treasury were, in this case, ultimately allowed under the decision of the court, those credits were still applied to the object for which they had been appropriated, and to no other.

It will have been seen, from my prior remarks, that I do not concur in the suggested construction of the act of 1797; and, more especially, that,

instead of regarding it as a substantive enactment defining and enlarging the law of set-off, I consider it as imposing restrictions on the right of party and the power of the court, and as intended to confine set-offs, in Government cases, to credits appertaining to the same general account which forms the subject-matter of the suit, and to those only which the accounting officers might, either under their general authority, or by special direction from the head of a department, lawfully have allowed. Some of my reasons for thus dissenting will appear from the observations already made, and I forbear to pursue the point, because, as the decision in the case of *Wilkins* does not depend on the validity of this construction, but may be sustained by other and indisputable reasons, that part of the opinion which relates to the act of 1797 may well be regarded as merely a *dictum*.

It is also proper to state that this part of the case does not appear to have been very fully discussed at the bar : and that the act of 1809, above quoted, was not referred to in the argument, and therefore probably escaped the notice of the court. May I not add, that, had this latter act been known to, and fully considered by them, it would assuredly have led to some qualifying remarks? That the learned judge who spoke for them would, at least, have confined the right of set-off to credits growing out of transactions, which, though technically distinct from that for which the party was sued, were yet really connected with the same subject, and embraced within the same general head of appropriation?

Before I quit the case of the *United States vs. Wilkins*, I will also observe, that although the *dictum* I have quoted has been cited by the court, and to some extent recognised in the subsequent cases of the *United States vs. Ripley*, (7 Peters, 25,) and the *United States vs. Fillebrown*, (7 Peters, 48,) yet it will be found, on a careful examination of these latter cases, that they contain nothing in opposition to the views above presented. In the case of *Ripley*, the claim to credits was overruled by the court, and in that of *Fillebrown*, as well as in that of the *United States vs. Macdaniel*, (7 Peters, 1,) the credits allowed were for extra compensation and commissions in the discharge of the trusts by virtue of which the moneys sued for were received. The credits claimed, whatever other objections might be made to them, did not grow out of distinct and independent transactions.

Upon the whole, I am of opinion, on the several grounds, and for the various reasons above stated, that the deduction by the Bank, from the Government dividends, of the controverted claim of that institution against the United States, and the retaining of the moneys so deducted, are unauthorized by law ; and that, in a proper suit to be instituted for such moneys, the United States will be entitled to recover the whole amount thereof.

I am, sir, very respectfully,

Your obedient servant,

B. F. BUTLER.

To the Hon. LEVI WOODBURY,
Secretary of the Treasury.

C,

GENERAL STATEMENT of the amount of estimates, appropriations, and expenditures, for the years 1832, 1833, and 1834.

GENERAL HEADS.	1832.			1833.			1834.		
	Estimates.	Appropriations.	Expenditures.	Estimates.	Appropriations.	Expenditures.	Estimates.	Appropriations.	Exp.
Civil, miscellaneous, and foreign intercourse, -	2,807,065 65	5,027,375 04	4,577,141 45	3,739,361 70	5,773,753 46	5,716,245 93	2,798,785 33	4,525,670 30	
Military establishment, inc. pensions, -	6,149,415 02	8,904,803 25	7,982,877 03	10,878,790 09	13,054,157 18	13,096,152 43	11,207,630 21	11,929,868 51	
Naval establishment, -	3,907,618 71	4,465,573 53	3,956,370 29	3,377,429 38	3,867,872 01	3,901,356 75	4,051,078 19	4,562,745 48	
Aggregates of the above, -	12,864,099 38	18,397,751 82	16,516,388 77	17,995,581 17	22,695,782 65	22,713,755 11	18,057,488 73	21,018,284 29*	
Public debt, -	10,000,000 00	18,078,938 85	17,840,309 29	7,299,656 00	10,000,000 00	1,543,543 38	4,995,082 08	4,995,082 08	
Total dollars, -	22,864,099 38	36,476,690 67	34,356,698 06	25,295,237 17	32,695,782 65	24,257,298 49	23,052,570 81	26,013,366 37	

* Includes the estimated amount of indefinite appropriations that may be drawn for until the close of the year.

TREASURY DEPARTMENT, *Register's Office*, October 28, 1834.

T. L. SMITH, *Register*.

[Doc. No. 3.]

D.

List of stocks owned by the United States.

10,000 shares stock in the Chesapeake and Ohio Canal Company	- - - - -	\$999,000 00
800 shares stock in the Dismal Swamp Canal Company,	- - - - -	200,000 00
2,335 shares stock in the Louisville and Portland Canal Company	- - - - -	233,500 00
2,250 shares stock in the Chesapeake and Delaware Canal Company,	- - - - -	450,000 00
		<hr/>
		\$1,882,500 00
*63,434 shares stock in the Bank United States,	-	<u>\$6,434,000 00</u>

E.

Annual report of the Commissioner of the General Land Office.

GENERAL LAND OFFICE, November 29, 1834.

SIR: In presenting for your examination, and for that of the Government, and for the consideration of Congress, the annual report of the operations of this office for the entire year of 1833, and the first three quarters of 1834, it affords me much pleasure to state that the sales of the national domain are annually increasing with the tide of emigration to the West and Southwest, and the accumulating population of those fertile and extensive regions. In the time of peace and of national prosperity, with a rapidly accumulating metallic currency, the most powerful stimulus to private enterprise and general industry, it is safe to calculate that the annual amount of this branch of the public revenue will continue to increase with the means of human happiness and general prosperity. It is the province of the statesman and of judicious legislation to furnish every facility to the accomplishment of those objects which essentially contribute to national greatness, and which create those resources of defence and independence necessary to preserve the integrity of all government, and to accelerate the march of empire. The vast territory of the valley of the Mississippi, extending east and west, from the Alleghany to the Rocky Mountains, and north and south, from Upper Canada to the Gulf of Mexico, presents a scene for the contemplation of the philanthropist and political philosopher, and a field for the operations of the legislator, of the most sublime character and moral influence, as connected with human society, hitherto unprecedented in the annals of the world. With a free white population, greatly exceeding that of the United States at any period of the revolution, with every means of subsistence for tens of millions of population, and with resources beyond the necessity of human wants and human convenience; with a climate

* The balance of the original subscription to the Bank United States, 6,566 shares, was transferred to the Treasurer of the United States, for the use of the Secretary of the Navy, for the payment of Navy and Privateer Pension funds, under the provision of an act of Congress.

more temperate and mild, and a soil more prolific and fruitful than any which has hitherto been discovered, there requires no stretch of the imagination, no genius of exaggeration, no confidence in prophecy, to anticipate the future revenue and means of strength, prosperity, and happiness which the Divinity has designed and allotted to the transmontane valley of North America.

The periods to which the quarterly accounts of the receivers have been rendered to this office, as also the monthly abstracts of sales and receipts, and the acknowledged balance remaining in the hands of the receivers, at the respective dates of their last returns, will be found in the annexed document, marked A. An unusual promptness has been observed in this part of the duty of the land officers during the past year, highly creditable to the public service. With very few exceptions the returns have been duly transmitted to this office, as required by law and the regulations of the department.

The annexed statement, marked B, exhibits, for the year 1833, and the first three quarters of 1834, the quantity of public lands sold in each State and Territory; the amount of purchase money; the several amounts received in cash, in forfeited land stock, and in military bounty land scrip; and the amount of money paid into the Treasury. By this statement, and by a reference to my last annual report, it will appear that the sales of 1833 exceeded those of 1832 1,393,885 acres, \$1,856,908 of purchase money, and of the amount paid into the Treasury \$1,344,300; and that the sales of the first three quarters of 1834 exceed those of the corresponding quarters of 1833 330,291 acres, \$437,040 of purchase money, and of the amount paid into the Treasury the sum of \$856,518. It is probable the aggregate amount of sales for this year will exceed those of the last, as also the amount of cash paid into the Treasury. The returns of the last quarter of the year generally present the largest amount of sales and purchase money.

The accompanying tabular statement, marked C, shows the amount of forfeited land stock issued and received at each land office, and of military bounty land scrip received, with the aggregate in each State and Territory, to the 30th of September last. On an examination of which, it will appear there has been issued, of forfeited land stock, \$646, 154 66, of which there has been received in payment for lands sold the sum of \$632,743 85, leaving a balance, not presented at the land offices, of less than \$13,500.

By the several acts of May 30, 1830, July 13, 1832, and March 2, 1833, lands were appropriated to satisfy unlocated military bounty land warrants for services rendered in the army of the revolution, in the Virginia State line and navy, in the Virginia continental line, and in payment for United States warrants for the same service. The appropriation made by these acts is unlimited as to the United States warrants, and those for Virginia amount to 810,000 acres, for which scrip was directed to be issued. Of this quantity of the Virginia warrants, scrip has been issued for 796,820 acres, leaving a balance of 13,180 acres yet to be satisfied, for which scrip will be issued so soon as the applicants shall complete their title papers to their warrants. Statement marked D, hereunto annexed, shows the number of each description of warrants which have been satisfied under these laws; the quantity of land for which scrip has been issued; the amount thereof in money, at one dollar and twenty-five cents per acre; with the number of certificates issued, and their several totals; in which state-

ment it will be seen that, to the 15th instant, 1,544 warrants have been satisfied, containing 894,570 acres, equal to \$1,118,212 50, in 12,049 certificates of scrip; and, by statement C, it appears, of this amount, the sum of \$1,008,360 12 had been received in payment of public lands up to the 30th September last. Virginia warrants have already been filed for about 500,000 acres, exceeding the amount which can be satisfied with scrip out of previous appropriations. I have no *data* by which to calculate the amount not yet filed; but, from verbal information, I am of opinion it would not be safe to estimate it at less than 500,000 acres. It is in the will of Congress whether further appropriations shall be made for the same.

The appropriation of \$6,000, at the last session, for extra clerk hire for this office, exclusive of \$4,000 for assistance in the bureau of Military Bounty Lands, has essentially contributed to the promotion of the public service, and has enabled me to progress very considerably with the records of the public sales, without which serious injury would have been sustained by the parties in interest, and much embarrassment to the Government. I cannot too urgently solicit from Congress the *absolute necessity* of continuing the requisite appropriations, as contained in my official estimates for the year 1835, and as indispensable to the future operations of this office. Six thousand dollars was also appropriated, at the close of the last session, for the writing and recording of forty thousand patents for land sold. This service has been performed at the price stipulated in the act, and the patents will all be examined and transmitted to the several land offices by the close of the present year. With this additional aid to the permanent force of the office, it is my duty to state that the arrears are constantly accumulating. On the 1st of January next the arrears of patents for lands sold will not be less than one hundred thousand, in which more than seventy thousand persons are directly interested as purchasers, and whose rights and convenience are entitled to the respect and attention of Government. The pecuniary interests of so large a class of our fellow-citizens are certainly worthy of the respectful consideration of those who administer the public affairs of the nation. I submit it to the particular examination and impartial judgment of Congress. It should also be remarked that this is but one item of the arrears of the office; the others previously reported are annually increasing, and cannot be diminished without a neglect of current duty.

The surveys of the public lands have progressed during the present year as rapidly as practicable, and to the utmost extent provided by law for the discharge of office duty by the several surveyors general; but it is impossible for those officers to complete the public surveys in particular districts, and, in numerous instances, of private land claims, without more discretionary power is vested in the Secretary of the Treasury to make reasonable allowances for services which cannot be procured for the compensation allowed by law. This is a subject which has also been repeatedly presented to the Government for its judicious legislation: I renew the suggestions, under the strongest sense of public duty.

As it is the policy of the Government, as it is the interest of the people of the Western and Southwestern sections of the Union to facilitate the sales of the public lands by such means as will secure to that extensive territory a population of industrious and enterprising citizens, who shall be proprietors of the soil they cultivate, and inheritors of the blessings of

civil and religious liberty, for which this country is so greatly distinguished, I consider it my duty again to urge upon the consideration of Congress the adoption of every necessary measure to enable this office more promptly to discharge its numerous duties, and the surveyors general to comply with the requisitions of law in the operations of their official conduct. It is in vain to expect that the intentions of the Government, and the reasonable expectations of the inhabitants of the vast interval of the Mississippi, can be accomplished and realized without the necessary and appropriate means are provided for such objects. Vain also will be the efforts of this office, and the agents of the Government subordinate thereto, in their struggles to perform their respective duties, unless aided and supported by the efficient legislation of Congress.

I have the honor to be,

With great respect,

Your obedient servant,

ELIJAH HAYWARD.

Hon. LEVI WOODBURY,
Secretary of the Treasury.

A.

EXHIBIT of the periods to which the monthly accounts of the Registers and Receivers of the Public Land Offices have been rendered, showing the balance of cash in the Receivers' hands at the date of their monthly accounts current, and the periods to which the Receivers' quarterly accounts have been rendered.

LAND OFFICES.	Monthly returns.		Admitted balance of cash in the hands of Receivers, per last monthly account.	Period to which the Receivers' quarterly accounts have been rendered.
	Period to which rendered by Register.	Period to which rendered by Receiver.		
OHIO.				
	1834.	1834.		1834.
Marietta, -	Sept. 30	Oct. 31	\$664 23	September 30
Zanesville, -	Oct. 31	Do	2,925 37	Do
Steubenville, -	Do	Do	1,689 11	Do
Chillicothe, -	Do	Do	1,040 35	Do
Cincinnati, -	Do	Do	3,750 47	Do
Wooster, -	Do	Do	1,272 59	Do
Wapahkonetta, -	July 31	July 31	10,275 94	June 30*
Bucyrus, -	Oct. 31	Oct. 31	31,447 71	September 30
INDIANA.				
Jeffersonville, -	Do	Do	-	September 30†
Vincennes, -	Do	Do	6,066 02	Do
Indianapolis, -	Do	Do	27,936 81	Do
Crawfordsville, -	Sept. 30	Sept. 30	10,596 72	Do
Fort Wayne, -	Oct. 31	Oct. 31	16,398 19	Do
La Porte, -	Do	Do	12,261 03	Do
ILLINOIS.				
Shawneetown, -	Do	Do	1,083 28	Do
Kaskaskia, -	Do	Do	789 64	Do
Edwardsville, -	Do	Do	1,484 57	Do
Vandalia, -	Do	Do	9,512 81	Do
Palestine, -	Do	Do	3,406 26	Do
Springfield, -	Do	Do	12,973 68	Do
Danville, -	Do	Do	10,457 84	Do
Quincy, -	Do	Do	3,222 94	Do
MISSOURI.				
St. Louis, -	Do	Do	-	Do
Fayette, -	Do	Do	4,702 17	Do
Palmyra, -	Do	Do	13,481 29	Do
Jackson, -	Sept. 30	Do	5,805 73	Do
Lexington, -	Oct. 31	Do	3,634 58	Do
ALABAMA.				
St. Stephen's, -	Sept. 30	Sept. 30	-	Do
Cahaba, -	Oct. 31	Oct. 31	6,701 80	Do

* Returns delayed by sickness of Receiver.

† \$332 15 overpaid.

EXHIBIT A—Continued.

LAND OFFICES.	Monthly returns.		Admitted balance of cash in the hands of Receivers, per last monthly account.	Period to which the Receivers' quarterly accounts have been rendered.
	Period to which rendered by Register.	Period to which rendered by Receiver.		
ALABAMA.				
	1834.	1834.		1834.
Huntsville, -	Oct. 31	Oct. 31	\$6,666 28	September 30
Tuscaloosa, -	August 31	August 31	-	June 30*
Sparta, -	Oct. 31	Oct. 31	821 69	September 30
Demopolis, -	Sept. 30	Sept. 30	2,709 15	Do
Montgomery, -	Oct. 31	Oct. 31	-	Do
Mardisville, -	Do	Do	27,058 91	Do
MISSISSIPPI.				
Washington, -	Do	August 31	200 72	June 30
Augusta, -	Do	Oct. 31	6,658 95	September 30
Mount Salus, -	Do	Do	12,956 09	Do
Columbus, -	Do	Do	40,320 29	Do
Chocehuma, -	Sept. 30	Sept. 30	8,188 81	June 30
LOUISIANA.				
New Orleans, -	Do	Do	606 47	September 30
Opelousas, -	Oct. 31	Oct. 31	5,827 56	Do
Ouachita, -	Do	Do	5,502 39	Do
St. Helena, -	Do	Do	845 33	Do
MICHIGAN.				
Detroit, -	Do	Do	-	Do
Bronson, -	Do	Do	15,119 84	Do
Monroe, -	Do	Do	2,742 63	Do
ARKANSAS.				
Batesville, -	Sept. 20	Sept. 30	1,731 29	Do
Little Rock, -	Oct. 31	Oct. 31	8,136 76	Do
Washington, -	Do	Do	530 48	Do
Fayetteville, -	Sept. 30	Sept. 30	3,632 69	Do
FLORIDA.				
Tallahassee, -	Do	Do	1,302 49	June 30
St. Augustine, -	No returns.			

* \$3,105 26 due Receiver, September 30, 1834.

TREASURY DEPARTMENT,

General Land Office, November 29, 1834.

ELIJAH HAYWARD,
Commissioner

STATEMENT of public lands sold, of cash and scrip received in payment therefor, of incidental expenses and payments into the Treasury on account of public lands, during the first, second, and third quarters of the year 1834.

LAND OFFICES.	Lands sold, after deducting erroneous entries.		Amount received in cash.	Amount received in scrip.		Aggregate receipts.	Amount of incidental expenses.	Amount paid into the Treasury from 1st Jan. to 30th Sept. 1834.
	Acres.	Purchase money.		Forfeited land stock.	Military land scrip.			
Marietta, Ohio,	9,359 63	11,698 28	11,698 28	-	-	11,698 28	1,045 58	8,372 80
Zanesville, do.	24,706 79	30,883 48	17,231 45	735 94	12,916 09	30,883 48	1,552 42	18,725 61
Steubenville, do.	3,008 99	3,761 24	3,328 82	382 49	49 93	3,761 24	954 19	1,500 00
Chillicothe, do.	16,054 92	20,068 58	11,974 01	141 24	7,953 33	20,068 58	1,387 78	3,415 22
Cincinnati, do.	17,617 64	22,022 05	17,804 96	4,117 09	100 00	22,022 05	2,244 46	24,920 75
Wooster, do.	7,567 73	9,459 66	9,289 56	70 10	100 00	9,459 66	1,081 83	10,022 91
Wapaghkonetta, do.	83,536 13	104,419 01	88,038 04	-	15,092 28*	104,419 01	4,404 78*	85,596 43
Bucyrus, do.	185,952 47	232,445 78	193,923 05	1,101 60	37,421 13	232,445 78	6,397 04	199,919 87
Total for the State,	347,804 30	434,758 08	353,288 15	7,837 17	73,632 86	434,758 08	19,068 08	352,473 59
Jeffersonville, Indiana,	50,732 30	63,415 58	54,808 06	1,281 32	7,326 20	63,415 58	3,303 04	52,847 21
Vincennes, do.	40,482 09	50,602 89	49,985 87	592 02	25 00	50,602 89	2,835 24	61,283 14
Indianapolis, do.	126,717 78	158,396 82	123,636 68	-	34,760 14	158,396 82	4,847 66	127,364 85
Crawfordsville, do.	91,744 92	114,681 06	114,481 06	-	200 00	114,681 06	4,291 10	118,161 46
Fort Wayne, do.	60,826 75	76,033 58	74,875 24	100 01	1,058 33	76,033 58	2,849 61	58,601 24
La Porte, do.	57,231 90	71,539 88	71,356 55	-	183 33	71,539 88	2,976 54	65,469 16
Total for the State,	427,735 74	534,669 81	489,143 46	1,973 35	43,553 00	534,669 81	21,103 19	483,727 06

Shawneetown,	Illinois,	6,019 32	7,529 16	6,513 19	505 14	510 83	7,529 16	965 45	13,650 00
Kaskaskia,	do.	11,502 04	14,378 51	14,349 64	28 87	-	14,378 51	1,070 12	10,717 76
Edwardsville,	do.	85,153 03	106,484 40	103,807 74	426 66	2,250 00	106,484 40	3,439 86	98,345 00
Vandalia,	do.	14,116 30	17,659 37	15,919 17	40 20	1,700 00	17,659 37	1,272 45	15,000 00
Palestine,	do.	13,950 95	17,438 69	17,138 69	-	300 00	17,438 69	1,248 28	20,963 25
Springfield,	do.	46,848 36	58,569 75	50,912 36	160 00	7,497 39	58,569 75	2,200 28	55,992 00
Danville,	do.	22,790 22	28,487 77	28,187 77	-	300 00	28,487 77	1,832 78	29,852 57
Quincy,	do.	22,077 97	27,597 45	27,397 45	-	200 00	27,597 45	1,561 27	27,142 47
Total for the State,		222,458 19	278,145 10	264,226 01	1,160 87	12,758 22	278,145 10	13,590 49	271,663 05
St. Louis,	Missouri,	31,022 35	38,778 12	37,745 31	1,032 81	-	38,778 12	1,606 40	43,859 69
Fayette,	do.	26,885 40	33,834 07	33,834 07	-	-	33,834 07	1,592 23	25,105 00
Palmyra,	do.	45,619 14	57,039 84	57,039 84	-	-	57,039 84	2,137 37	55,985 22
Jackson,	do.	8,916 52	11,145 47	11,145 47	-	-	11,145 47	1,049 87	9,500 00
Lexington,	do.	28,995 89	36,244 92	36,244 92	-	-	36,244 92	1,882 50	34,270 23
Total for the State,		141,439 30	177,042 42	176,009 61	1,032 81	-	177,042 42	8,268 39	168,720 14
St. Stephen's,	Alabama,	7,935 98	11,169 47	9,585 68	1,583 79	-	11,169 47	1,143 94	19,159 95
Cahaba,	do.	106,054 88	132,647 04	131,757 97	889 07	-	132,647 04	3,848 35	125,398 71
Huntsville,	do.	19,457 23	24,321 35	23,073 31	1,148 04	100 00	24,321 35	1,727 00	27,175 00
Tuscaloosa,	do.	57,580 62	71,976 32	71,524 33	451 99	-	71,976 32	2,692 53	77,300 00
Sparta,	do.	6,446 93	8,175 82	8,175 82	-	-	8,175 82	856 93	11,883 49
Demopolis,	do.	123,175 17	153,969 00	152,432 50	1,536 50	-	153,969 00	4,651 85	141,706 37
Montgomery,	do.	18,331 43	33,468 03	33,468 03	-	-	33,468 03	2,002 94	16,600 00
Mardisville,	do.	75,088 49	110,305 45	109,880 85	424 60	-	110,305 45	4,043 65	87,922 00
Total for the State,		414,070 73	546,032 48	539,898 49	6,033 99	100 00	546,032 48	10,967 19	507,145 52

* Stock surrendered at, and incidental expenses of, this office are exhibited as a proximate estimate, as the returns were not received for the 3d qr.

STATEMENT B—Continued.

LAND OFFICES.	Lands sold, after deducting erroneous entries.		Amount received in cash.	Amount received in scrip.		Aggregate receipts.	Amount of incidental expenses.	Amount paid into the Trea- sury from 1st Jan. to 30th Sept. 1834.
	Acres.	Purchase money.		Forfeited land stock.	Military land scrip.			
Washington, Mississippi,	18,262 18	22,842 16	22,197 17	644 99	-	22,842 16	1,359 60	23,154 92
Augusta, do.	22,630 95	28,288 26	28,288 26	-	-	28,288 26	1,698 62	33,940 00
Mount Salus, do.	194,074 15	242,601 87	240,556 95	141 59	1,903 33	242,601 87	9,834 61	411,753 12
Columbus, do.	99,954 62	124,943 29	124,943 29	-	-	124,943 29	3,372 80	238,839 88
Chocheuma, do.	26,104 95	32,666 76	32,666 76	-	-	32,666 76	1,964 97	42,603 75
Total for the State,	361,026 85	451,342 34	448,652 43	786 58	1,903 33	451,342 34	18,230 60	750,291 67
New Orleans, Louisiana,	2,349 69	2,937 13	2,937 13	-	-	2,937 13	1,157 01	
Opelousas, do.	10,157 02	12,696 27	12,615 77	80 50	-	12,696 27	1,061 40	12,621 07
Ouachita, do.	39,534 97	51,018 46	51,018 46	-	-	51,018 46	2,405 75	48,606 51
St. Helena, do.	1,066 63	1,333 28	1,333 28	-	-	1,333 28	804 90	860 00
Total for the State,	53,108 31	67,985 14	67,904 64	80 50	-	67,985 14	5,429 06	62,027 58
Detroit, Michigan,	99,065 97	123,843 30	112,874 97	160 00	10,808 33	123,843 30	3,316 85	109,558 12
Wh. Pig. Pr. and Bronson	81,910 07	102,387 54	102,387 54	-	-	102,387 54	3,390 46	103,419 43
Monroe, do.	170,975 28	213,719 06	200,235 74	-	13,483 32	213,719 06	5,474 35	196,000 00
Total for the Territory,	351,951 32	439,949 90	415,498 25	160 00	24,291 65	439,949 90	12,181 66	408,977 55

Batesville, Arkansas,	7,632 23	9,540 28	9,540 28	-	-	9,540 28	1,360 08	23,610 00
Little Rock, do.	25,086 11	31,357 64	31,357 64	-	-	31,357 64	1,959 65	27,709 36
Washington, do.	7,956 45	9,945 55	9,945 55	-	-	9,945 55	1,143 08	5,200 00
Fayetteville, do.	6,552 78	8,190 97	8,190 97	-	-	8,190 97	1,386 31	6,825 00
Total for the Territory,	47,227 57	59,034 44	59,034 44	-	-	59,034 44	5,849 12	63,344 36
Tallahassee, Florida,	6,109 04	7,636 30	7,636 30	-	-	7,636 30	981 53	8,104 98
St. Augustine, do.	-	-	-	-	-	-	130 48	-
Total for the Territory,	6,109 04	7,636 30	7,636 30	-	-	7,636 30	1,112 01	8,104 98
Grand total, - -	2,372,931 35	\$2,996,596 01	\$2,821,291 78	\$19,065 27	\$156,238 95	\$2,996,596 01	\$115,799 79	\$3,076,475 50

TREASURY DEPARTMENT, *General Land Office, November 29, 1834.*

ELIJAH HAYWARD, *Commissioner.*

[Doc. No. 3.]

C.

STATEMENT showing the amount of forfeited land stock issued and surrendered at the United States Land Offices to the 30th of September, 1834; also the amount of military land scrip surrendered to the same period.

LAND OFFICES.	Forfeited land stock.		Military land scrip.
	Total amount issued at the Land Offices to the 30th Sept., 1834.	Total amount surrendered at the Land Offices to the 30th Sept., 1834.	Total amount surrendered at the Land Offices to the 30th Sept., 1834.
Marietta, Ohio, -	\$5,370 93	\$5,485 91	\$624 25
Zanesville, do. -	23,891 72	42,339 11	212,072 62
Steubenville, do. -	48,103 74	29,837 57	1,599 93
Chillicothe, do. -	51,007 77	27,048 41	75,836 61
Cincinnati, do. -	132,418 71	123,093 71	10,204 93
Wooster, do. -	11,978 39	15,170 72	1,700 00
Wapaghkonetta, do. -	- -	9,905 32	50,175 55
Bucyrus, do. -	- -	22,405 84	71,646 93
Total for the State,	\$272,771 26	\$275,286 59	\$423,860 82
Jeffersonville, Indiana, -	28,261 03	33,989 88	49,810 93
Vincennes, do. -	39,405 33	26,384 72	1,175 00
Indianapolis, do. -	- -	3,122 06	291,661 11
Crawfordsville, do. -	- -	4,588 38	72,978 93
Fort Wayne, do. -	- -	148 01	8,556 88
La Porte, do. -	- -	200 00	308 33
Total for the State,	\$67,666 36	\$68,433 05	\$424,491 18
Shawneetown, Illinois, -	24,485 28	17,151 87	1,485 83
Kaskaskia, do. -	10,002 21	4,198 75	625 00
Edwardsville, do. -	10,114 64	11,303 15	35,970 69
Vandalia, do. -	- -	2,285 10	13,001 99
Palestine, do. -	- -	642 05	1,350 00
Springfield, do. -	- -	3,109 01	51,362 03
Danville, do. -	- -	- -	7,387 50
Quincy, do. -	- -	- -	963 44
Total for the State,	\$44,602 13	\$38,689 93	\$112,146 48
St. Louis, Missouri, -	6,297 41	6,972 53	
Fayette, do. -	12,297 16	11,267 14	
Palmyra, do. -	- -	2,628 24	
Jackson, do. -	- -		
Lexington, do. -	- -	147 27	
Total for the State,	\$18,594 57	\$21,015 18	
St. Stephen's, Alabama, -	51,318 75	35,392 50	
Cahaba, do. -	36,282 57	48,891 82	

STATEMENT C—Continued.

LAND OFFICES.	Forfeited land stock.		Military land scrip.
	Total amount issued at the Land offices to the 30th of Sept. 1834.	Total amount surrendered at the Land Offices to the 30th of Sept. 1834.	Total amount surrendered at the Land Offices to the 30th of Sept. 1834.
Huntsville, Alabama, -	61,121 64	49,160 82	100 00
Tuscaloosa, do. -	- -	10,503 10	
Sparta, do. -	- -	1,026 20	
Demopolis, do. -	- -	2,239 76	
Montgomery, do. -	- -		
Mardisville, do. -	- -	424 60	
Total for the State,	\$148,722 96	\$147,638 80	\$100 00
Washington, Mississippi, -	59,621 76	33,034 48	
Augusta, do. -	- -		
Mount Salus, do. -	- -	24,050 64	1,903 33
Columbus, do. -	- -		
Chocehuma, do. -	- -		
Total for the State,	\$59,621 76	\$57,085 12	\$1,903 33
New Orleans, Louisiana, -			
Opelousas, do. -	3,291 28	3,089 15	
Washita, do. -	- -		
St. Helena, do. -	- -		
Total for the State,	\$3,291 28	\$3,089 15	
Detroit, Michigan, -	1,101 59	10,290 03	25,374 99
White Pig. Pr. and Bronson, -	- -	16 00	6,600 09
Monroe, do. -	- -	- -	13,883 32
Total for the Territory,	\$1,101 59	\$10,306 03	\$45,858 31
Batesville, Arkansas, -			
Little Rock, do. -			
Washington, do. -			
Fayetteville, do. -			
Total for the Territory,			
Tallahassee, Florida, -	- -	11,200 00	
St. Augustine, do. -	- -		
Total for the Territory,		\$11,200 00	

STATEMENT C—Continued.

LAND OFFICES.	Forfeited land stock.		Military land scrip.
	Total amount issued at the Land Offices to the 30th Sept., 1834.	Total amount surrendered at the Land Offices to the 30th Sept., 1834.	Total amount surrendered at the Land Offices to the 30th Sept., 1834.
Grand total of stock issued at the Land Offices, -	616,371 91		
Add amount of stock issued at the Treasury, under the 4th section of the act of the 23d of May, 1828, for moneys forfeited (on lands sold at New York in 1787) by Edgar and Macomb, -	29,782 75		
Aggregate, ¹ -	\$646,154 66	\$632,743 85	\$1,008,360 12

TREASURY DEPARTMENT,

General Land Office, November 29, 1834.

ELIJAH HAYWARD,

Commissioner of the General Land Office.

D.

STATEMENT exhibiting the number of each description of warrants which has been satisfied with scrip; the quantity of land for which scrip has been issued; the amount thereof in money at one dollar twenty-five cents per acre, with their several totals, together with the whole number of certificates of scrip issued under the provisions of the acts of the 30th of May, 1830, 13th of July, 1832, and 2d of March, 1833, up to the 15th of November, 1834.

DESCRIPTION OF WARRANTS.	Number of warrants	Quantity of land in warrants.	Amount in money.	Total number of certificates issued.
Virginia State line and navy, -	564	525,502	\$656,877 50	6,850
Virginia continental line, -	332	271,318	339,147 50	3,558
United States, -	648	97,750	122,187 50	1,641
Total, -	1,544	894,570	\$1,118,212 50	12,049

GENERAL LAND OFFICE, November 29, 1834.

ELIJAH HAYWARD,

Commissioner.

GENERAL LAND OFFICE,

November 29, 1834.

SIR : I have the honor to transmit, herewith, in duplicate, the usual statements of the operations of the land districts, annually rendered to Congress, viz. That marked A, is a statement of public land sold ; of cash and scrip received in payment therefor ; of incidental expenses and payments into the Treasury on account of public lands, during the year ending 31st December, 1833.

That marked B, is a statement containing similar information for the first, second, and third quarters of the year 1834.

With great respect,

Your obedient servant,

ELIJAH HAYWARD.

Hon. LEVI WOODBURY,

Secretary of the Treasury.

A.

STATEMENT of public lands sold, of cash and scrip received in payment therefor, of incidental expenses, and payments into the Treasury on account of public lands, during the year ending 31st December, 1833.

LAND OFFICES.	Lands sold after deducting erroneous entries.		Amount received in cash.	Amount received in scrip.		Aggregate receipts.	Amount of incidental expenses.	Amount paid into the Treasury from 1st Jan'y to 31st Dec., 1833.
	Acres.	Purchase money.		Forfeited land stock.	Military land scrip.			
Marietta, Ohio.	27,285 69	34,107 10	33,810 97	196 13	100 00	34,107 10	1,912 58	37,530 10
Zanesville, do.	75,969 83	95,460 10	26,433 47	3,397 59	65,629 04	95,460 10	3,158 07	15,938 70
Steubenville, do.	7,934 54	9,918 16	8,164 97	453 19	1,300 00	9,918 16	1,498 04	9,823 62
Chillicothe, do.	46,607 29	58,433 94	23,476 97	570 55	34,386 42	58,433 94	2,342 39	19,400 00
Cincinnati, do.	25,708 63	31,976 73	26,211 73	4,478 00	1,287 00	31,976 73	3,065 69	23,245 03
Wooster, do.	27,886 78	34,872 39	33,339 29	983 10	550 00	34,872 39	1,900 88	29,271 58
Piqua and Wapaghkonetta, Ohio.	99,753 68	128,481 35	89,622 26	1,346 04	37,513 05	128,481 35	3,985 95	91,050 00
Bucyrus, do.	240,007 15	299,176 32	270,423 28	499 71	28,253 33	299,176 32	7,224 99	249,553 79
Total for the State,	551,153 59	692,426 09	511,482 94	11,924 31	169,018 84	692,426 09	25,088 59	475,812 82
Jeffersonville, Indiana.	63,987 06	79,984 21	60,087 37	3,609 51	16,287 33	79,984 21	2,751 51	57,390 12
Vincennes, do.	66,832 94	83,545 43	79,495 17	3,450 26	600 00	83,545 43	3,289 27	74,529 39
Indianapolis, do.	185,965 06	232,581 07	129,653 55	160 00	102,767 52	232,581 07	5,154 02	103,159 04
Crawfordsville, do.	150,912 32	188,640 39	170,032 38	79 07	18,528 94	188,640 39	6,843 53	147,837 53
Fort Wayne, do.	62,612 74	78,270 72	73,404 72	16 00	4,850 00	78,270 72	2,840 96	58,847 74
La Porte, do.	24,371 66	30,500 58	30,375 58	-	125 00	30,500 58	1,404 84	18,076 00
Total for the State,	554,681 78	693,522 40	543,048 77	7,314 84	143,158 79	693,522 40	22,284 16	459,839 82

Shawneetown,	Illinois.	28,936 30	36,170 39	34,047 11	2,073 28	50 00	36,170 39	1,823 58	26,613 00
Kaskaskia,	do.	29,235 00	36,544 40	36,290 40	254 00	-	36,544 40	1,803 53	36,231 89
Edwardsville,	do.	92,261 07	115,327 18	106,755 79	671 39	7,900 00	115,327 18	3,097 26	106,725 94
Vandalia,	do.	21,615 84	27,119 79	26,219 79	-	900 00	27,119 79	1,563 88	15,208 91
Palestine,	do.	22,043 90	27,554 87	27,529 87	-	25 00	27,554 87	1,687 50	25,202 92
Springfield,	do.	109,642 25	136,893 40	119,581 33	-	17,312 07	136,893 40	4,478 17	114,521 80
Danville,	do.	26,901 38	33,626 72	28,489 22	-	5,137 50	33,626 72	1,730 12	16,605 60
Quincy,	do.	29,604 77	37,005 95	36,242 51	-	763 44	37,005 95	1,850 10	33,028 45
Total for the State,		360,240 51	450,242 70	415,156 02	2,998 67	32,088 01	450,242 70	18,034 14	374,138 51
St. Louis,	Missouri.	43,026 22	53,783 17	53,783 17	-	-	53,783 17	2,060 48	57,367 00
Fayette,	do.	54,843 10	68,555 85	68,454 65	99 20	-	68,553 85	3,217 26	91,332 82
Palmyra,	do.	61,685 04	90,727 16	90,727 16	-	-	90,727 16	3,007 71	84,392 20
Jackson,	do.	19,448 53	24,310 49	24,310 49	-	-	24,310 49	1,766 16	25,000 00
Lexington,	do.	47,282 79	59,147 91	59,147 91	-	-	59,147 91	3,236 04	76,768 00
Total for the State,		226,285 68	296,522 58	296,423 38	99 20	-	296,522 58	13,287 65	334,860 02
St. Stephen's,	Alabama.	36,958 43	46,210 19	43,924 21	2,285 98	-	46,210 19	2,250 11	54,113 63
Cahaba,	do.	204,169 83	256,900 73	252,659 60	4,241 13	-	256,900 73	7,161 98	260,562 27
Huntsville,	do.	51,479 19	64,302 30	50,228 26	14,074 04	-	64,302 30	3,170 53	49,483 40
Tuscaloosa,	do.	77,260 53	96,591 01	96,510 94	80 07	-	96,591 01	3,213 73	83,500 00
Sparta,	do.	6,626 60	8,283 23	8,283 23	-	-	8,283 23	1,168 00	4,182 13
Demopolis,	do.	74,825 16	93,531 44	92,828 18	703 26	-	93,531 44	2,937 74	79,881 11
Total for the State,		451,319 73	565,818 90	544,434 42	21,384 48	-	565,818 90	19,902 09	531,722 54

Statement A—Continued.

LAND OFFICES.	Lands sold after deducting erroneous entries.		Amount received in cash.	Amount received in scrip.		Aggregate receipts.	Amount of incidental expenses.	Amount paid into the Treasury from the 1st January to the 31st Dec. 1833.
	Acres.	Purchase money.		Forfeited land stock.	Military land scrip.			
Washington, Mississippi.	56,671 30	70,845 84	68,478 61	2,367 23	-	70,845 84	2,434 27	61,200 00
Augusta, do.	34,145 40	43,216 11	43,216 11	-	-	43,216 11	2,308 00	25,800 00
Mount Salus, do.	582,552 70	730,683 18	730,205 68	477 50	-	730,683 18	6,652 20	517,012 66
Columbus, do.	208,642 60	330,149 76	330,149 76	-	-	330,149 76	7,486 58	219,840 40
Chocchuma, do.	239,482 97	356,495 42	356,495 42	-	-	356,495 42	7,072 88	329,201 77
Total for the State,	1,121,494 97	1,531,390 31	1,528,545 58	2,844 73	-	1,531,390 31	25,953 93	1,153,054 83
New Orleans, Louisiana.	-	-	-	-	-	-	417 12	1,042 50
Opelousas, do.	22,000 32	27,500 38	27,111 76	388 62	-	27,500 38	1,831 92	19,250 00
Ouachita, do.	63,717 33	79,654 55	79,654 55	-	-	79,654 55	3,223 95	82,754 90
St. Helena, do.	3,723 53	4,654 41	4,654 41	-	-	4,654 41	1,034 87	4,970 69
Total for the State,	89,441 18	111,809 34	111,420 72	388 62	-	111,809 34	6,507 86	108,018 09
Detroit, Michigan.	170,743 76	213,439 77	198,597 41	275 70	14,566 66	213,439 77	5,501 76	192,910 34
White Pigeon Prairie, do.	95,980 25	123,465 25	116,865 25	-	6,600 00	123,465 25	4,486 24	103,062 45
Monroe, do.	181,056 16	226,359 90	225,959 90	-	400 00	226,359 90	5,776 77	205,300 00
Total for the Territory,	447,780 17	563,264 92	541,422 56	275 70	21,566 66	563,264 92	15,764 77	501,272 79

Batesville, Arkansas.	22,895 19	28,618 98	28,618 98	-	-	28,618 98	1,717 83	10,284 27
Little Rock, do.	8,513 11	10,641 54	10,641 54	-	-	10,641 54	1,328 78	2,460 00
Washington, do.	7,144 10	8,930 12	8,930 12	-	-	8,930 12	1,132 24	5,370 00
Fayetteville, do.	3,307 03	4,133 78	4,133 78	-	-	4,133 78	434 27	
Total for the Territory,	41,859 43	52,324 42	52,324 42	-	-	52,324 42	4,613 12	18,114 27
Tallahassee, Florida.	11,810 27	14,762 87	14,762 87	-	-	14,762 87	1,276 54	10,760 27
St. Augustine, do.	160 25	200 31	200 31	-	-	200 31	555 48	87 59
Total for the Territory,	11,970 52	14,963 18	14,963 18	-	-	14,963 18	1,832 02	10,847 86
Grand total,	3,856,227 56	\$4,972,284 84	\$4,559,221 99	\$47,230 55	\$365,832 30	\$4,972,284 84	\$153,268 33	3,967,681 55

TREASURY DEPARTMENT, *General Land Office*, November, 29, 1834.

ELIJAH HAYWARD, *Commissioner*.

B.

EXHIBIT of the operations of the Land Offices of the United States in the several States and Territories, during the year ending December 31, 1833; the first, second, and third quarters of 1834; and of payments made into the Treasury on account of Public Lands during those periods.

STATES AND TERRITORIES.	Lands sold after deducting erroneous entries.		Amount received in cash.	Amount received in scrip.		Aggregate receipts.	Amount paid into the Treasury.
	Acres.	Purchase money.		Forfeited land stock.	Military land scrip.		
State of Ohio, for 1833, -	551,153.59	\$692,426 09	\$511,482 94	\$11,924 31	\$169,018 84	\$692,426 09	\$475,812 82
Do. Indiana, do. -	554,681.78	693,522 40	543,048 77	7,314 84	143,158 79	693,522 40	459,839 82
Do. Illinois, do. -	360,240.51	450,242 70	415,156 02	2,998 67	32,088 01	450,242 70	374,138 51
Do. Missouri, do. -	226,285.68	296,522 58	296,423 38	99 20	-	296,522 58	334,860 02
Do. Alabama, do. -	451,319.73	565,818 90	544,434 42	21,384 48	-	565,818 90	531,722 54
Do. Mississippi, do. -	1,121,494.97	1,531,390 31	1,528,545 58	2,844 73	-	1,531,390 31	1,153,054 83
Do. Louisiana, do. -	89,441.18	111,809 34	111,420 72	388 62	-	111,809 34	108,018 09
Territory of Michigan, do. -	447,780.17	563,264 92	541,422 56	275 70	21,566 66	563,264 92	501,272 79
Arkansas, do. -	41,859.43	52,324 42	52,324 42	-	-	52,324 42	18,114 27
Florida, do. -	11,970.52	14,963 18	14,963 18	-	-	14,963 18	10,847 86
Total for 1833, -	3,856,227.56	4,972,284 84	4,559,221 99	47,230 55	365,832 30	4,972,284 84	3,967,681 55
State of Ohio, for the 1st, 2d, and 3d quarters of 1834, -	347,804.30	\$434,758 08	\$353,288 15	\$7,837 17	\$73,632 76	\$434,758 08	\$352,473 59
Do. Indiana, do. -	427,735.74	534,669 81	489,143 46	1,973 35	43,553 00	534,669 81	483,727 06
Do. Illinois, do. -	222,458.19	278,145 10	264,226 01	1,160 87	12,758 22	278,145 10	271,663 05
Do. Missouri, do. -	141,439.30	177,042 42	176,009 61	1,032 81	-	177,042 42	168,720 14
Do. Alabama, do. -	414,070.73	546,032 48	539,898 49	6,033 99	100 00	546,032 48	507,145 52
Do. Mississippi, do. -	361,026.85	451,342 34	448,652 43	786 58	1,903 33	451,342 34	750,291 67
Do. Louisiana, do. -	53,108.31	67,985 14	67,904 64	80 50	-	67,985 14	62,027 58
Territory of Michigan, do. -	351,951.32	439,949 90	415,498 25	160 00	24,291 65	439,949 90	408,977 55
Arkansas, do. -	47,227.57	59,034 44	59,034 44	-	-	59,034 44	63,344 36
Florida, do. -	6,109.04	7,636 30	7,636 30	-	-	7,636 30	8,104 98
Total for 1st, 2d, & 3d qrs. of 1834, -	2,372,931.35	2,996,596 01	2,821,291 78	19,065 27	156,238 96	2,996,596 01	3,076,475 50

TREASURY DEPARTMENT, General Land Office, November 29, 1834.

ELIJAH HAYWARD, Commissioner.